S. Hrg. 99-142

FISCAL YEAR 1986 BUDGET

HEARING

BEFORE THE

SELECT COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

ON

THE FISCAL YEAR 1986 BUDGET

FEBRUARY 27, 1985
WASHINGTON, DC

U.S. GOVERNMENT PRINTING OFFICE
48-180 O
WASHINGTON : 1985

S411-12

SELECT COMMITTEE ON INDIAN AFFAIRS

MARK ANDREWS, North Dakota, *Chairman*

BARRY GOLDWATER, Arizona
SLADE GORTON, Washington
FRANK H. MURKOWSKI, Alaska
JAMES ABDNOR, South Dakota

JOHN MELCHER, Montana
DANIEL K. INOUYE, Hawaii
DENNIS DECONCINI, Arizona
QUENTIN N. BURDICK, North Dakota

PETER S. TAYLOR, *Staff Director*

CONTENTS

WITNESSES

Page
Arnaudo, Patricia S.A., Deputy Director, Indian Housing, Department of Housing and Urban Development ... 32
Chiago, Robert ... 120
Elm, Dr. Lloyd, supervisor, Native American Programs, Buffalo City Schools, in behalf of the National Indian Education Association ... 141
Forkenbrock, John, Action, Inc., Washington, DC ... 106
Fritz, John, Acting Assistant Secretary for Indian Affairs, Department of the Interior ... 1
  Prepared statement ... 9
Funk, Karen, policy and budget analyst, National Congress of American Indians ... 43
Gair, Robert, Director, Budget Division, Office of Public and Indian Housing, Department of Housing and Urban Development ... 32
Graham, Dr. Robert, Administrator, Health Resources and Services Administration, Department of Health and Human Services ... 13
  Additional information submitted at the request of Senator Andrews ... 14
  Prepared statement ... 17
  Response to questions submitted by the committee ... 19
Harjo, Susan Shown, executive director, National Congress of American Indians ... 43
  Prepared statement ... 46
Jackson, Dean, president, Navajo Community College, Tsaile, AZ ... 101
Kingman, Gay, superintendent, Pierre Indian Learning Center, Pierre, SD ... 106
  Prepared statement ... 110
Lucero, Rick, president, American Indian Health Care Association ... 38
Martin, Caroline, Alaska Native Health Board, Juneau, AK ... 71
  Prepared statement ... 75
Myers, John, Director Designate, Office of Indian Housing, Department of Housing and Urban Development ... 52
Pearson, William, Associate Director for Administration and Management, Indian Health Service, Department of Health and Human Services ... 13
Rhoades, Dr. Everett, Director, Indian Health Service, Department of Health and Human Services ... 13
Russell, Evalu Ware ... 120
Savilla, Elmer M., executive director, National Tribal Chairmen's Association. 131
  Prepared statement ... 136
Stangl, Thomas, Budget Officer, Department of the Interior ... 1
Stepetin, Michael, vice chairman, National Advisory Council on Indian Education ... 120
  Prepared statement ... 125
Windy Boy, Janine Pease, president, American Indian Higher Education Consortium ... 92
  Prepared statement ... 97

MATERIAL SUBMITTED FOR THE RECORD

Prepared statements:

  American Indian Higher Education Consortium, submitted by Janine Pease Windy Boy ... 97
  Association of Contract Tribal Schools, submitted by Gay Kingman, superintendent ... 110

Page

Prepared statements—Continued
  Mary Trimble-Norris, before the Legal Services Corporation Committee on Appropriations and Audit 64
  National Indian Health Board and the National Congress of American Indians, submitted by Caroline Martin of the Alaska Native Health Board, Juneau, AK 75
  National Indian Health Board and the National Congress of American Indians, submitted by Susan Shown Harjo, executive director 46
  National Tribal Chairmen's Association, submitted by Elmer M. Savilla, executive director 136
Estimate of Education Funds Benefiting Indians, submitted by Department of the Interior 5
Letter from F.X. Morin, mayor, Dunseith, ND; to Senators Andrews and Burdick, and Representative Doran 8
Letter from Roger C. Bordeaux, executive director, Association of Contract Tribal Schools; to Dr. Kenneth Ross, Director, Office of Indian Education Programs, BIA 116
Response to Washington Times article of February 20, 1985, submitted by the Department of the Interior 3

APPENDIX

Additional Material Submitted for the Record

Letter from Bill Sheffield, Governor, State of Alaska; to Senator Mark Andrews 147
Priority Recommendations for Indian Health Service Core Level Services Task Force, submitted by the Albuquerque Area Indian Health Board 149
Prepared testimony of the American Indian Scholarships, Inc., Albuquerque, NM, submitted by Lorraine P. Edmo, executive director 151
Letter from Melvin Sabshin, M.D., medical director, American Psychiatric Association; to Senator Mark Andrews 165
Letter from Ron Baker, acting general manager, Bethel Native Corp., Bethel, AK; to Senator Mark Andrews 167
Prepared testimony of the Blackfeet Tribe of the Blackfeet Indian Nation, prepared by Earl Old Person, chairman of the Blackfeet Tribal Business Council 168
Letter from Robert J. Clark, executive director, Bristol Bay Area Health Corp.; to Senator Mark Andrews 171
Letter from Gerald Mason, director, Oklahoma Committee on Indian Work; to Senator Mark Andrews 173
Prepared testimony of the National Indian Education Association, submitted by Karen Cornelius-Fenton, president 174
Prepared testimony of the Navajo Community College, submitted by Dean C. Jackson, president 187
Prepared testimony of the Navajo Nation:
  On the fiscal year 1986 Indian Health Service budget request 193
  On the proposed Bureau of Indian Affairs education budget 200
Letter from Jack Clemence, 2d V.P.-Oklahoma Indian Housing Association; to Senator Mark Andrews 209
Letter from Purcell Powless, chairman, Oneida Business Committee, Oneida Tribe of Indians of Wisconsin, with enclosures; to Senator Mark Andrews 210
Prepared testimony of the Pascua Yaqui Tribe, submitted by David G. Ramirez, tribal chairman 220
Letter from Chester T. Fernando, governor, Pueblo of Laguna, with enclosed position statement on Johnson-O'Malley funds; to Senator Mark Andrews 222
Prepared statement of Ramus Suina, chairman, Five Sandoval Indian Pueblos, Inc 233
Letter from Ralph Forquera, M.P.H., executive director, San Diego American Indian Health Center; with enclosed testimony; to Senator Mark Andrews 242
Prepared statement of the Shiprock Hospital Steering Committee 246
Letter from Lionel R. Bordeaux, Sinte Gleska College, with enclosures; to Senator Mark Andrews 250
Prepared testimony of Allen White Lightning, member, Standing Rock Sioux Tribe 275
Prepared testimony of the United Sioux Tribes of South Dakota, submitted by Clarence Skye and Sheryl Scott 282

Page
Prepared testimony of the United Sioux Tribes of South Dakota, submitted by Clarence W. Skye, executive director 285
Letter from Floyd Williams, chairman, Upper Skagit Indian Tribe, with enclosure; to Senator Mark Andrews 288
Prepared testimony of the Washoe Tribal Council, submitted by Robert Frank, chairman 291

FISCAL YEAR 1986 BUDGET

FEBRUARY 27, 1985

U.S. SENATE,
SELECT COMMITTEE ON INDIAN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10:25 a.m., in room 528, Dirksen Senate Office Building, Hon. Mark Andrews (chairman of the committee) presiding.

Present: Senators Andrews and Murkowski.

Staff present: Peter S. Taylor, staff director; Mary Jane Wrenn, special counsel; Michael Mahsetky, staff attorney; Patricia Zell, staff attorney; John Vance, staff attorney; Kathy Braeman, staff attorney; Ginny Boylan, staff attorney; Maria Mendoza, staff attorney; Max Richtman, minority staff director; and Debbie Storey, professional staff member.

Senator ANDREWS. My apologies for being late. A number of Senators were at breakfast at the White House, and I will not say who was long-winded but it went longer than it should have.

This morning the Select Committee on Indian Affairs will receive testimony on the fiscal year 1986 budget submissions of the Department of the Interior for the Bureau of Indian Affairs programs, the Department of Health and Human Services for the Indian Health Service programs, and the Department of Housing and Urban Development for the Office of Indian Housing programs.

The Department of Education will not present testimony today on their Indian education programs, but will submit testimony for the record. We will, however, receive testimony from outside witnesses on the programs of each of these four agencies.

We have limited our witnesses today to national Indian organizations rather than individual tribes. However, the record will remain open, as is customary with this committee, for 10 days for tribes or other witnesses to submit statements or testimony. We want to make sure that we have not overlooked any points.

Our first witness this morning is Acting Assistant Secretary for Indian Affairs, John Fritz. Welcome, Mr. Secretary. Good to see you again.

STATEMENT OF JOHN FRITZ, ACTING ASSISTANT SECRETARY FOR INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR, ACCOMPANIED BY THOMAS STANGL, BUDGET OFFICER

Mr. FRITZ. Once again, Mr. Chairman, I am pleased to appear before you and the committee today on behalf of the Department of the Interior and in particular the Bureau of Indian Affairs. With me at the table is Mr. Tom Stangl, the Bureau's budget officer.

Also present in the room to answer such questions in such levels of detail as are needed, are some of the senior Bureau programmatic officials.

I have a prepared statement which I would like to submit for the record.

Senator ANDREWS. You can be assured it will appear in its entirety, as though uttered, every word.

Mr. FRITZ. Thank you very much, Mr. Chairman. I would just like to make a few opening remarks.

We believe that our budget for fiscal year 1986 is a sound one. Even within the national goal of reducing the deficit, this budget will allow us to continue to pursue our basic goals of supporting self-determination, encouraging economic development, and providing those essential trust and other programmatic services which we are mandated to provide on reservations.

We think that the budget, in summary, will meet the basic needs in the Bureau's program areas. We hope and know, really, that Congress will find our budget in greater detail and more explicit than have past documents. What we tried to do, Mr. Chairman, is to reflect the true cost of the Bureau's doing business. That is, we included service costs such as telephone, ADP, and other service costs which are supportive of the overall efforts of the Bureau.

We have protected funding levels at the tribe/agency level. However, it also is important to note that the tribes have made some important decisions under the Indian priority system. These decisions are reflected in the so-called tribe/agency portion or lines of the budget. There dollars, sometimes substantial, have been shifted by tribes between categories, and we urge that this exercise in self-determination be supported by Congress as it was by myself.

I really would like to paraphrase something that Secretary Hodel has said over the past several days, Mr. Chairman, and that is that there are going to be conflicts and controversies surrounding individual actions on the part of the Department of the Interior and certainly the administration in this critical area of attempting to meet the needs of American Indians and Alaska Natives. These controversies and conflicts will surround individual actions and individual issues. That seemingly is the nature of the issues that are before the Bureau of Indian Affairs and the Department most of the time.

However, I want to assure you as I have many times in the past that the Department and the Bureau would like to work closely with you in this committee in establishing the broad national human and resource policies which reflect the values, needs, and truly the wishes of American people, in particular American Indians and Alaska Natives.

Secretary Hodel has stated it extremely well when he says, "This budget reflects not only our objectives but the overriding financial realities which we as a nation face: the budget deficit, which totals in excess of $180 billion." This kind of deficit requires us all to make difficult choices, and in this budget in particular we have made a couple of difficult policy choices. Those choices have really meant reducing or eliminating some programs which frankly have produced tangible benefits in the past and which, if they were evaluated on their own merits in a different budget context, might be funded.

However, when you consider the details of this budget, not in isolation but rather in the context of the overall realities of today, we think we have made the appropriate and best choices. As reflected by the statements of the Nation's Governors in the past several days, if there is consensus currently on one broad national policy, it is the need to face and reduce the deficit of the United States.

From my perspective, Mr. Chairman, this budget will allow us to exercise our stewardship responsibilities, and I think and I truly hope that you and the committee will recognize our continuing commitment to meet the human and natural resource needs of American Indians and Alaska Natives.

I know that there are a number of areas that you would like to specifically discuss. We will be happy to answer any questions. Thank you once again for allowing us to testify, sir.

Senator **ANDREWS**. Thank you, Mr. Secretary.

As you know, the overall fiscal 1986 budget request is $20,881,000 for the ADP program, including new personnel costs, and this is the whole ball of wax to implement an efficient system. I read in The Washington Times the other day that the current system is—from what I gleaned from the article—not very efficient. Loss of equipment, more equipment than on certain inventory lists, equipment being leased but not in use—you name it; and the GAO cited it.

I am now told that since that December 1984 study, many measures to correct the ADP program are being taken. You and I spent some time looking at that whole computer idea 8 or 9 months ago.

Mr. **FRITZ**. Yes sir.

Senator **ANDREWS**. I am sure you have seen the article in the Washington Times.

Mr. **FRITZ**. Yes, I have.

Senator **ANDREWS**. I wanted to bring that up and let you explain it, not now, but on the record, so that we have it when we move on other information.

Mr. **FRITZ**. We would be happy to supply that.

[Subsequent to the hearing the following response was received for the record:]

RESPONSE TO THE WASHINGTON TIMES ARTICLE OF FEBRUARY 20, 1985

When the draft GAO report became available in the fall of 1983, an ADP Improvement Task Force was formed in October of 1983 to correct the deficiencies identified at that time. The final GAO report was not published until December 1984.

The Bureau is currently implementing staffing the Office of Data Systems (ODS) which was formally approved in December of 1984. This includes hiring of additional personnel and transfers to ODS from other BIA components. This work should be completed by August 1, 1985. Classification of new jobs will begin April 15, 1985.

There are 140 FTE budgeted for ADP Services Bureau-wide. Approximately, 110 are currently established positions and 30 represent new positions. The estimated costs of these personnel with all related staff costs are:

Central Management	$3,220,000
Decentralized support	1,823,000
Total	5,043,000

Admittedly, there is still some equipment not in service. But as production on Bureau computer systems increases, all of the remaining items will be put into service or returned to the supplier. Remaining leased equipment will be purchased to take advantage of credits and to reduce long-term costs.

As indicated in the Bureau's quarterly ADP reports to the Congress, significant progress has been made in gaining control and direction over the Bureau's ADP operations. This is particularly true in standardizing the Bureau's field centers to run production applications to meet the Bureau's information needs.

All ADP equipment procurement now is authorized by the Office of Data Systems which reviews all equipment requests for technical merit as well as for integration and compatibility with the existing systems. Although a moratorium on the procurement of new ADP equipment has been in effect, in the future selected numbers of micro computers will be purchased to initiate office automation pilot projects. These projects, however, will require concurrence by the Information Resources Management office in the Department before they are undertaken.

Senator ANDREWS. We have a number of questions pertaining to that.

We also understand that the BIA has requested no moneys for Johnson-O'Malley. That is a decrease from the $28,857,000 appropriated in fiscal 1985. How are you going to handle the education challenge without Johnson-O'Malley funds?

Mr. FRITZ. This was one of the tough policy decisions that we had to make. As I have indicated, it gets lonely sometimes trying to make decisions in a season where there are many recommendations coming before us. We were given a budget target, Mr. Chairman, and we decided that this program was a duplicate of one.

It was established, really, in 1934 to provide assistance to public schools which support the basic education of Indian students and preschoolers who are a quarter blood or more and who are members of federally-recognized tribes. Subsequent to that time there have been several other programs which have been instituted. Among them are the 1950 Federal Impact Aid Program, the 1964 Head Start Program, the 1965 Elementary and Secondary Education Act, which really created chapter I, and in 1972 creation of title 4, part A, under the Department of Education. We also have found that some of the States are doing a substantially larger job in assuming responsibility for the Indian children who are currently enrolled in their school systems.

Frankly, this is a situation where I had to recommend the cut of JOM.

I have listened to a large number of tribal leaders and delegates who have talked about trying to take 10 percent cut—although we can take a macro 10 percent out of a given program here in Washington, Mr. Chairman, that 10 percent is hard to take out of two guys who are out on the end of a chain who are trying to, for example, do a road survey. You can not take it out out there on the ground. What we tried to do is put our priorities there. We have focused our resources on the needs of the children currently in the tribal contract schools and the Bureau schools.

Senator ANDREWS. I know that, Mr. Secretary, but you know Johnson-O'Malley has been quite a success over the years. It melds the public school system and the Indian education system together. In North Dakota it is a rather modest operation, $387,000—$118 per student—but it provides a great deal of help to get done what needs to be done, and without it those school systems would have a difficult time keeping the quality of education there. Your basic statement, as I have glanced over it, shows that there is some $400 million in these other programs allotted to Indian education. We have not been able to break those programs out according to race. Can you?

Mr. **Fritz**. We have, within the schools that are impacted. We have been able to get the Indian school portions, to the extent that I have had it from staff. Yes, sir.

Senator **Andrews**. Can you provide for the record the amount of money that these schools will get in these other programs that you say supplant and make unnecessary the funding that came from Johnson-O'Malley?

Mr. **Fritz**. Yes, for the record, my staff indicates that we can.

[Subsequent to the hearing the following information was supplied for the hearing record:]

ESTIMATE OF EDUCATION FUNDS BENEFITING INDIANS

[Dollars in millions]

	1985 estimated number of Indian students benefiting	1985 appropriation	1986 budget request
1. Department of Education (ED) Programs Specifically Targeted to Indians:			
Indian Education Act (Title IV): Grants to Local Educational Agencies, Indian tribes and organizations, Indian-controlled schools, and individuals to address the special educational and culturally-related academic needs of Indian children and adults	334,000	$65.0	$65.0
Impact Aid—Maintenance and Operations: To compensate school districts for the cost of educating children who reside on Indian lands	100,000	212.3	214.1
Impact Aid—Construction: Direct grants for the construction or repair of urgently needed school facilities	N/A	8.5	—
Chapter I—BIA Set-aside: Direct transfer of ED funds to the BIA for use at BIA operated and contract schools. Provides compensatory education services to disadvantaged children	23,800	23.2	23.0
Library Services for Indian Tribes: Direct grants to Indian tribes for the development or establishment of tribal library programs	N/A	1.8	—
Vocational Education: New legislation provides that 1.25 percent of the appropriation for vocational education basic grants is reserved by the Department of Education for competitive grants to Indian tribes and tribal organizations	2,400	8.6	9.0
Rehabilitation Services: Service grants to Indian tribes to provide vocational rehabilitation services to handicapped American Indians living on reservations	450	7	7
Science and Mathematics Education, Title II ESEA: Set aside of 0.5 percent of the total appropriation supports programs for children attending elementary and secondary schools for Indian children operated by the Department of Interior	41,481	5	5
HEA Title III—Institutional Aid: Programs to assist institutions of higher education which have limited financial resources and which serve significant percentages of low income students	[1] N/A	2.8	2.8
Education for the Handicapped—BIA Set-aside: To offset part of the excess costs of educating handicapped children. One percent of the amount available for the States under the State Grant program is transferred directly to the BIA for use in BIA schools	5,300	11.4	11.4
2. Other Department of Education (ED) Programs Supporting Indians:			
Chapter I for the Disadvantaged: Grants to Local Educational Agencies to support supplementary compensatory educational services designed to increase the educational attainment of economically disadvantaged children to a level appropriate for children of their age	94,400	63.6	63.6

ESTIMATE OF EDUCATION FUNDS BENEFITING INDIANS—Continued

[Dollars in millions]

	1985 estimated number of Indian students benefiting	1985 appropriation	1986 budget request
Chapter 2, [2] Educ. Consolidation and Improvement Act, 1981: Block grants for improving elementary and secondary school programs, awarded to all 50 States, D.C., Puerto Rico, and five outlying areas. At least 80% of the funds are reallocated to local school districts	N/A	5.0	5.0
Higher Educations Act, Title VI—Student Aid: Programs of financial support for needy students attending institutions of post-secondary education, including Guaranteed Students Loans, proposed Pell self-help grants, and Work-Study	35,000	37.8	32.2
Vocational Education—State Programs: [3] Formula grants to States support program improving access of special needs population to vocational education as well as improvement and expansion of the vocational education enterprise	123,400	5.6	5.6
Science and Mathematics—Title II EESA: Formula grants to States support program to improve instruction in science mathematics, computer learning, and foreign languages. A Federal level discretionary fund supports projects of National significance	N/A	1.0	1.0
Education for the Handicapped: [2] Grants to assist States in ensuring that all handicapped children have available to them a free, appropriate public education, based on the number of handicapped children receiving special education in each State	30,400	8.2	8.2
Rehabilitation Services: [2] Grants to States to assist physically and mentally handicapped individuals to prepare for and engage in gainful employment to the extent of their capabilities	5,800	6.9	6.9
Bilingual Education: Grants to school districts to address the severe academic problems of school children who are limited English proficient	20,530	[4] 12.1	[4] 12.1
Special Programs for the Disadvantaged: Provides support activities designed to increase admission to and graduation from college by individuals from disadvantaged backgrounds	17,000	6.3	3.0
Minority Institutions Science Improvement: Provides support to improve science, mathematics, and technology education at predominately minority institutions and to improve access to science and engineering careers for minority students	[1] N/A	0.4	0.4
Totals		481.7	464.5

[1] Grants are awarded to institutions to develop self sufficiency or to develop specific educational programs, not to provide direct student services. Appropriation amounts for higher education Title III and MISIP reflect the amount of funds going to predominantly Native American institutions.

[2] Estimates based on Indians' proportional distribution in the population.

[3] Funding estimates are based on Indians' proportion of population served.

[4] Based on actual expenditures in 1984 under old law.

Note: These are the latest (February) figures and may differ slightly from figures in the President's budget.

Senator ANDREWS. Will this level of funding—and, mind you, these schools, whether in North Dakota, Arizona, New Mexico, or wherever, are generally in the smaller counties and the smaller communities and they have a difficult time meeting their budgets—do you feel that this funding through other windows, so to speak, will be enough to hold harmless the need for education of these Indian children in these schools?

Mr. FRITZ. I think, given where we are, although this is one of those programs where we have had to look at what has occurred in the past and try to rationalize that in terms of today's budget, it is going to have an impact. It will have an impact. I cannot say that it will not have an impact on those schools.

Senator ANDREWS. That is the thing that bothers me, Mr. Secretary, because you know, and I know, that the name of the game is elementary and secondary education for our Indian children. If we start shorting that, what do we have left? That is the investment in the future.

We come up with all kinds of after-the-fact programs—halfway houses, remedial education programs, and all of the rest—and now somehow or another we are talking about we have a budget crunch—and we certainly have—but to start cutting it out of basic elementary education—this is not a spending program; it is an investment program.

Mr. FRITZ. It is and can be viewed, as you correctly state, as an investment program. From my perspective, I guess, going back to your original question, "Does it affect the basic educational program?" the answer is, no. This is a supplemental program in which these other programs are really supplemental to the basic educational programs provided by the schools. They are for the unique needs of the Indian children.

Senator ANDREWS. Well, let us put it this way. Given the unique character of the areas in which our tribes have their reservations, and given the unique problems that public schools adjacent to these reservations face because of low land values and all of the other things—those who went long before us, Mr. Secretary, somehow or another succeeded in putting our Indian people on some of the poorest and drabest land there is. Now when you combine that into an educational institution that is situated just off-reservation, you have a school that has an almost impossible challenge to meet the goal of quality education. They do not have it all that good for the non-Indian population. They have it even less well for the Indian population if we start eliminating things like Johnson-O'Malley.

The question is, Who is standing up for these Indian children, and how much are we going to have to pay down the line in remedial education or lost opportunity or all of the rest if we start chopping off this initial investment in basic elementary education? Do you share my concern? I note a share of concern on your face? Sometimes expressions speak louder than words.

Mr. FRITZ. Yes, I share your concern. I share your concern, and I do not know what the missed opportunities would be in this kind of situation, Mr. Chairman. It is one of those things where, once again, we think the basic education will be covered. It is the supplemental programs which augment the normal school programs which we lose, and that is going to be a hard one to adjust to.

Senator ANDREWS. Well, let me say to those in the hearing room that I would hope this short interchange has stimulated some of you to take advantage of the fact that the record is going to be open for a couple of weeks. The committee could use, very profitably, specific examples of what this action might do out in your own area, so that we can examine whether or not this move is a constructive move and one that can be justified. Any information that we can get, we will be able to use when we examine this budget, and it is one of the things that bothers me.

Now I understand that the construction funds are growing short—and sometimes you can find out about your own backyard better than someplace else—we have the Standing Rock Sioux with an irrigation project, the Eagle unit. They need another $218,000 to complete it. We have already spent $1.8 million on it. You requested no money for irrigation for Standing Rock in fiscal year 1986. When you and I met on February 22 you said that you would find that money this year. Are you still confident of doing that?

Mr. FRITZ. We are examining, really, the kinds of moneys which are left in other irrigation projects which have been completed. We are going to combine those moneys and see what we have there.

Senator ANDREWS. So you are putting the emphasis on projects similar to this around the country where they are 80 percent constructed or whatever, so we can finish them out and not lose the initial investment?

Mr. FRITZ. Yes, sir.

Senator ANDREWS. I appreciate that, Mr. Secretary.

I have a number of specific questions that I would like to ask, and I will ask most of them for the record. We have a day school in Dunseith. It was at one time No. 4 on the fiscal 1986 priority list for a project cost of $300,000. Later you crossed it off the list and you slated it for closure. Now I understand that you have decided to renovate the Dunseith Day School in fiscal 1986. Is that true?

Mr. FRITZ. We have a gentleman from our safety office up in North Dakota now looking at several different projects, and I think Dunseith is on the proposed tour. I get a nod from staff that indicates it is. I think the amount is even less than what initially had been discussed. We are looking at a smaller amount and a proposal by the tribe, so our people are out there working hand-in-hand with the tribal school board.

Senator ANDREWS. Do you think the prospects look fair on that?

Mr. FRITZ. I think they look reasonably good, from what we understand.

Senator ANDREWS. Good. At this point in the record, I would like to put a letter from the mayor of Dunseith, speaking to it, so we would have that as part of the record.

[The letter follows:]

CITY OF DUNSEITH,
Dunseith, ND, February 20, 1985.

DEAR MR. ANDREWS, BURDICK AND DORGAN: It has been brought to my attention that plans are to close the Dunseith Day School which is operated by the Bureau of Indian Affairs. The school is about three miles north of Dunseith.

It would be a hardship on the surrounding community including the city of Dunseith to close the facility.

At present the school has an enrollment of 154 students and I don't see any let down in enrollment for a number of years.

The city of Dunseith has gained in population from 625 to 850 during the past few years. Many of the students attending the day school are from Dunseith.

I can recall my early days in public school when the Day School was already in operation. It is a land mark for the community. A facility that attracts people visiting the Peace Gardens.

I would appreciate any assistance you could do to keep the school going. Other schools in the area are crowded and these additional students would make it more of a hardship. Most of the people in the community are Indian people with no tax base to construct a new facility.

Respectfully,

F.X. MORIN, *Mayor.*

Senator ANDREWS. I understand a problem has recently arisen in South Dakota regarding failure of BIA to inspect Indian schools, particularly Indian contract schools, to determine asbestos hazards. I understand this problem may have occurred in North Dakota, Montana, and other States as well as in South Dakota. Could you explain or give us a little insight into this problem and tell us what is being done in order to meet the EPA grant deadline of March 1 for the 50-percent funding match for abatement?

Mr. **Fritz**. That deadline, Mr. Chairman, is really a March 15 deadline for meeting the asbestos hazard in schools. Let us see, what is it called? Specifically the Asbestos School Hazard Abatement Act of 1984.

We currently have a representative, Mr. Frank Latta from the school facilities staff in Aberdeen, working with a Tucson group who is currently doing a survey of 37 locations in the Aberdeen area. In addition, we have an EPA representative and a representative from the Bureau of Indian Affairs safety office going to each of the affected locations, examining what needs to be done in terms of costs and how they are proposing to take care of the situation.

Mr. Latta will be back tomorrow. He will commence the drafting of the required report to EPA. We anticipate delivering it well in advance of March 15, the deadline.

Over in the Billings area at this juncture we have defined only one site, but we are going through that record once again. In Billings the site is supposedly contained. We will verify and make sure. Mr. Latta is doing that, also.

Senator **Andrews**. Mr. Secretary, we have a number of other questions and I am sure my colleagues on the committee have a number of questions they would like to submit for the record.

Mr. **Fritz**. Certainly.

Senator **Andrews**. I think probably we can do it better if we will submit them for the record and let you answer them in detail so that we will have that information when we move ahead to approve the budget.

Mr. **Fritz**. Certainly.

Senator **Andrews**. Thank you very much for your appearance.

Mr. **Fritz**. Thank you.

Senator **Andrews**. Your prepared statement will be entered in the record at this point.

[The prepared statement follows:]

PREPARED STATEMENT OF JOHN FRITZ, DEPUTY ASSISTANT SECRETARY OF THE INTERIOR FOR INDIAN AFFAIRS

Mr. Chairman and Members of the Committee: I am pleased to appear before you today to talk with you about the Bureau of Indian Affairs' 1986 budget request.

I believe we have a good budget that will enable us to continue pursuing our basic goals of strengthening tribal governments, encouraging economic development and providing essential program services on the reservations.

The 1986 appropriation request of $932.3 million represents an overall reduction of $60.7 million from the 1985 estimate. This accords with our nation's need to reduce the deficit, but also provides increases for many critically important programs and enables us to maintain most other programs at previous levels. The reduction is taken primarily in two areas—new construction and the Johnson-O'Malley (JOM) supplemental aid to public schools. We are also taking a five percent reduction in personnel pay costs and a five percent cut in program management and administrative services costs.

Our request includes increases for school operations, tribal courts, welfare grants, services to newly recognized tribes and the loan guaranty program under the recently amended Indian Financing Act. There will also be increases for contract support funds for tribal contracting of reservation programs, for water policy implementation in the northern plains and for cadastral surveys in Alaska to expedite the transfer of land to the Native corporations and individuals.

There are many positive developments in Indian Country and in the Bureau that I want to call to your attention.

In fulfilling our primary responsibility for the education of Indian children, we have requested a net increase of $5.4 million for Indian school operations.

We have requested an increase of $1.9 million for implementation of minimum academic standards for BIA schools to be published this year. This increase will provide for improvement of the educational management of schools through upgrading curriculum; certification of teachers; accreditation of schools and increasing media resources within school libraries.

Our very important continuing education program, including the grant program to Indian college students, will continue at its established level.

After considering the priorities, we made the decision not to request funding for the JOM program. As you know, the JOM funds are distributed to public schools and school districts enrolling substantial numbers of Indian students. JOM has provided extra money to address the supplemental education needs of Indian students in public schools as determined by local Indian education committees. We do not believe, however, that the program is necessary to provide first quality education programs to the Indian students.

Other supplemental programs of the Departments of Education and Health and Human Services provide nearly $400 million in funds for Indian students in public schools. These include Headstart, Chapter I for disadvantaged students, Title IV for Indian students and Impact Aid. We do not think the Bureau of Indian Affairs, with its limited funding, should be funding a program so similar to these programs. We also believe that the States should be addressing the unique needs of their Indian students enrolled in public schools. Furthermore, we know through reports from the Inspector General and the General Accounting Office that JOM funds have frequently been used for general public school activities not within the original statutory purpose of the program (i.e., not aimed solely at the unique needs of Indian students).

Our other chief concerns, in addition to education, are tribal government, economic development, trust responsibilities and effective management of the BIA.

TRIBAL GOVERNMENT

For me, the most significant development in Indian Country in the past decade has been the growth and maturation of Indian tribal governments. Tribal governments are exercising leadership, assuming responsibility, providing initiative and building sound community foundations. Clearly, there is great diversity among the tribes. Some are much further along than others. Yet, the progress overall is, I believe, extremely encouraging. Self-determination is becoming a reality. There is among tribal leaders a new attitude of competency and determination that is most encouraging for the future of tribal communities. In direct support of the concept of tribal self-determination, a significant portion of our budget has been developed using program priorities as expressed by tribes in consultation with local BIA officials. The more than $270 million included in tribe/agency operations has been distributed by program using these priorities. We would hope that the reviewers of our budget request will also fully honor these program priorities in their entirety. To continue this progress in tribal governments, we are requesting an increase of $1.9 million to enable us to provide assistance and services to 26 newly recognized tribes.

We will continue also to strengthen the tribes' law enforcement and judicial programs. In 1985, the Congress added $8.8 million to the BIA appropriation to strengthen this vital activity. In our 1986 request, we will sustain this level of funding, with an increase of $150,000 for special needs as well as increased funding for the tribal priority programs. We have also requested, an increase of $450,000 for improvements in tribal courts.

One item which we believe might be of interest to the committee has involved the recent transfer of the Indian Policy Academy from the Intermountain School at Brigham City, Utah to the Evergreen Air Center at Marana, Arizona. Under the new arrangement, which became operational last month, we believe the quality of training will be significantly improved since the Bureau has now entered into a formal cooperative agreement with the Federal Law Enforcement Training Center at Glynco, Georgia, for the administration of the Academy.

We expect some savings in our welfare programs by regulations making the Bureau's general assistance payments consistent with state AFDC payments. We still anticipate greater needs for our social service program of general assistance. We have requested an increase of $3.8 million for this purpose.

Finally, we are requesting slightly more than $1 million for indirect costs for new contracts with tribes who wish to operate Bureau programs. We are maintaining the funding level of $4.9 million for the very well-received program, begun in 1983, to assist small tribes to develop needed management skills.

ECONOMIC DEVELOPMENT

The BIA's 1986 appropriation request continues to recognize the importance of economic development for the future well-being of Indian communities.

We were pleased that Congress in 1984 made some desirable amendments in the Indian Financing Act of 1974. We feel these changes will make that Act even more helpful to Indian communities than it has been.

In our 1986 request, we have requested an additional $1.5 million to cover the interest subsidies and technical assistance costs of the loan guaranty program. We also intend to broaden the economic development grant program to include individual Indian entrepreneurs, as well as tribes and tribal organizations. This latter step, we believe, is a most important development. We think the individual Indian entrepreneur provides a new hope for the long-term development of Indian economies.

The economic problems on Indian reservations are so complex and deep-seated that quick, simple solutions cannot reasonably be expected. This Administration has refused to see government make-work projects as solutions. Such projects may provide some temporary relief until the funding runs out, but they do nothing to solve the long-term problems.

Though much progress remains to be made, we think there have been many solid developments on reservations in recent years. Our direct loan, loan guaranty and grant programs have helped make these developments feasible.

Some of these developments were featured in the TV documentary, "The New Capitalists", shown on public broadcast stations throughout the country. Success stories about the White Mountain Apache of Arizona, the Cherokees of Oklahoma, the Eastern Band of Cherokees in North Carolina, the Choctaws of Mississippi, the Gila River Reservation in Arizona, the Lac Courte Oreilles in Wisconsin, Warm Springs in Oregon, the Florida Seminoles, Mescalero Apaches in New Mexico and other tribes appeared in the New York Times, Reader's Digest, Newsweek, USA Today and other major newspapers and publications.

In 1984 the BIA made direct loans to tribes and individuals totaling $12.7 million and guaranteed loans totaling $19 million.

The Confederated Tribes of the Colville Reservation in Washington used both these forms of assistance to help them build a $10 million sawmill. They put in $2 million of tribal funds, borrowed $2 million directly from the Bureau and obtained the remaining $6 million from private banks, with a loan guaranty. The sawmill gives the tribes an assured market for the timber from the reservation, provides 60 new jobs and is expected to net the tribe about $1.5 million annually.

An economic development grant program, designed to provide "seed money" for new enterprises or expansions on reservations, was begun in 1983. This program requires that at least 75% of the total project funding come from nonfederal sources.

With appropriations in both 1983 and 1984 of $5 million, this program provided grants to 37 ventures requiring total funding of more than $50 million. It has been attracting more than $4 in private funds for every one dollar of federal funding. The funding in 1985 was increased to $9.8 million and that level of funding is being requested again in 1986.

One of the projects funded in 1984 was the purchase of a $4.5 million blueberry processing plant by the Passamaquoddy Tribe of Maine. They received a grant of $375,000 and financed the balance through local banks. In 1981 the tribe used land claim settlement funds to purchase a blueberry farm from which they have netted more than $4 million. The processing plant makes them less dependent on outside markets and further integrates their operation.

TRUST RESPONSIBILITIES

There is a need today for some serious study of the trust relationship between the United States and the Indian tribes.

The model of a trustee protecting and managing the resources of a dependent beneficiary is outdated and simply does not fit today's situation. I am suggesting that the nature of the relationship—what the trust responsibility involves and how it should be administered—should reflect changes in society and in the Indian tribes. Indian tribes want to preserve and maintain the trust relationship, but they also want to control their own resources and business affairs. We will continue to work with tribes and the Congress to ensure that the concepts of self-determination and a trust relationship work in concert.

In 1986 we are requesting $50.2 million for Indian rights protection and other trust responsibilities. We are also asking for $107.1 million for natural resource development. This amounts to a little more than $2 per acre for the more than 53 million acres of land held in trust by the United States for Indian tribes and individuals. This money enables us to assist the tribes in the management of trust resources, but also leaves many responsibilities to the tribes. The Bureau is working to complete inventories and assessments and needed development plans. The work progresses more rapidly in those instances when the tribes are willing to invest some of their funds toward this vital work.

I hope that my comments here today will be seen as an effort to improve this very important relationship. The tribes are already playing a very active and generally very positive role in the development and enhancement of trust resources.

As one example, I mention the work done by the tribes in the state of Washington who are members of the Northwest Indian Fisheries Commission. They work with us, the State, and other organizations for the enhancement and protection of the fisheries. Through tribal enhancement programs in 1983 more than 33 million salmon and steelhead were released into the Washington waters. Since these programs are all under development and expanding, the performance will continue to improve in future years. Many of the tribes are also extensively involved in habitat surveys and the restoration of salmon and steelhead habitat through the clearing of blockages and stabilizing stream sides. The tribes are similarly participating in the development of their forest lands, their mineral resources and agricultural lands.

ALASKA STUDY

One of the most important pieces of legislation relating to American Native Peoples in recent years is the Alaska Native Claims Settlement Act. During the past 18 months the Bureau of Indian Affairs and the Department have been at work on a report relative to the implementation and impact of that legislation on the lives of the Alaskan Native People. As the report has been developed we have maintained close communications with both Alaskan Native organizations and the State of Alaska. We recognize that the report and its recommendations are likely to have major impact on both of those groups and we are endeavoring to make certain that it will be as constructive and useful as possible. We anticipate this report will be submitted to Congress early this summer.

BIA MANAGEMENT

We have proposed a five percent program management and administrative services cost reduction in the request for central office and area office staffs. We expect, however, to continue to make further management improvements.

In 1984 the Congress directed the BIA to revamp a poorly organized, inefficiently managed ADP system. I am happy to report that we now have an Office of Data Systems under competent professional direction carrying out the directives of Congress and moving us along the way to the kind of efficient, effective ADP system that we need.

Compliance with Financial Managers' Financial Integrity Act and (A-123) to minimize waste, fraud and abuse has been given a high priority in the Bureau. They have been made a part of our management by objectives program and a critical element in the performance appraisal of all top managers of the Bureau. In the past two years, we have made significant progress in identifying internal control weaknesses and in correcting the underlying deficiencies. There are major initiatives in financial accounting, cash management and debt collection.

We have made measurable strides in reducing the backlog of unresolved audits. Since the beginning of this new FY-1985 fiscal year, the Bureau has made the changes necessary to resolve over 45% of the overdue audits that were reported at the end of FY 1984. More importantly, the problems identified in these audits are being attacked in every instance for permanent resolution.

The Bureau is well into the process of enhancing its control of cash management. Audit findings, and the Bureau's own reviews are being utilized to update and streamline cash management processes. We recognize that problems in cash management must be addressed systematically and that complete correction is a long-term goal. We are making every effort to correct and strengthen the system by taking those steps that can be accomplished immediately within the limits of the current budget. One very important step presently underway includes a Central

Office financial management team which is reviewing, testing, and conducting training at each Area Office, to ensure compliance and uniformity with the streamlined cash management, debt collection and accounting system procedures. In addition, our debt collection efforts have reduced by 28 percent the outstanding debt owed the Bureau. We expect to reduce the balance of this debt by 40% during this current fiscal year.

This concludes my statement to the committee. I will be pleased to respond to any questions you may have.

Senator **Andrews**. I would next like to hear from the Indian Health Service, Dr. Robert Graham, the Administrator, and Dr. Everett Rhoades, the Director. Welcome, Doctors. We are glad to have you here. We would be pleased to hear your statement.

STATEMENT OF DR. ROBERT GRAHAM, ADMINISTRATOR, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES, ACCOMPANIED BY DR. EVERETT RHOADES, DIRECTOR, INDIAN HEALTH SERVICE; AND WILLIAM PEARSON, ASSOCIATE DIRECTOR FOR ADMINISTRATION AND MANAGEMENT, INDIAN HEALTH SERVICE

Dr. **Graham**. Mr. Chairman, thank you very much. It is a pleasure to have the opportunity to appear before you this morning.

I would like to introduce Dr. Everett Rhoades, who is the Director of the Indian Health Service, and Mr. Bill Pearson, who is the Associate Director for Administration and Management of the Indian Health Service. You do have a full statement which has been prepared, and I would request that it be submitted in the record.

I would only summarize by saying that, in the 30 years that the Indian Health Service has been a part of the Public Health Service, we feel that there have been some measurable gains which have been made in the health of the Indian communities, and we feel that the budget which is before you for discussion this morning will allow us to continue to make those strides in which we are seeking to develop the health status of the Indian communities to the maximum extent.

We have outlined in that budget three specific program areas or three specific objectives that we have this year, which relate to program management, tribal management, and self-determination. As is clear from the budget, we will, even in times where there are very finite limits on total numbers of resources available for Federal programs, continue to focus our energies on what we perceive as the highest priority, and that is the continuation of clinical services to individuals on or near reservations.

With that, sir, I would be happy to respond to any questions that you or other members of the committee may have.

Senator **Andrews**. Thank you very much.

On pages 20 and 21 of the IHS budget justification, there is a list of facilities that are now in the planning and design stage or under construction. Of these 13 facilities, how many will actually be completed with existing funds?

Dr. **Graham**. I could count those one by one. I think Dr. Rhoades or Mr. Pearson probably has that number right off the top of their head.

Dr. **Rhoades**. Eight, Senator Andrews.

Senator **Andrews**. Can you identify the eight for the record?

Dr. GRAHAM. Yes, sir.

[Subsequent to the hearing the following information was submitted for the record:]

IHS construction projects which can be completed with funds already appropriated are as follows: Browning, MT; Crown Point, NM; Kanakanak, AK; Fort Thompson, SD; Kyle, SD; Wolf Point, MT; Browning, MT (Quarters); and Tsaile, AZ and Crown Point, NM (Quarters).

Senator ANDREWS. Good. What does the Department propose to do with those facilities that will be in some stage of construction at the end of fiscal year 1985, if no construction funds are appropriated for fiscal year 1986?

Dr. GRAHAM. This question, of course, came up in our appearance before you last year because the presentation and proposal was the same. The response is—as it was last year—we will, during a period of deferral of any further requests for construction funds, make those sites where construction is incomplete as secure as possible and await the opportunity to seek further funding.

Senator ANDREWS. What specific advantages does the Department hope to realize by merging the Indian Health Facilities Program with the Indian health appropriations?

Dr. GRAHAM. The advantage in our view is largely one of management and some degree of flexibility. Although any transfer of funds within those two accounts would still require the involvement of the Congress by having them within the one general appropriation, such involvement could be through a reprogramming request rather than an appropriations transfer. Although we have no specific transfers to propose at the present time, we feel that that would be a more informal and more expeditious route and provide more flexibility within the budget amounts allocated to the Indian Health Service.

Senator ANDREWS. The committee is concerned about the large unobligated balances in the Indian Health Facilities Program account. As we add them up, they amount to some $97,765,000. Since the Department has consistently displayed a reluctance to expend the funds that Congress has appropriated for the construction of Indian health facilities, how can you assure the members of this committee that there will be no loss in accountability for such funds if Congress were to approve your request for construction funds to remain available until expended?

Dr. GRAHAM. I think I first have to disagree with one of the premises of your question, sir. I do not believe that there is a reluctance on the part of the Department to expend funds in these categories that have been appropriated. We obviously do differ occasionally on the amounts of funds and whether or not we will seek that appropriation. However, once those funds are appropriated, Dr. Rhoades and I pursue as expeditiously as possible the orderly determination of the construction arrangements and the manner in which that construction is to go forward.

If my recollection is correct, I think some $75 to $80 million of those funds presently shown as unobligated, the IHS feels will be obligated within the next 12-month period, so I think what we are seeing is not a desire on the part of the Department to slow down the construction but is a reflection of us working against a backlog of appropriated funds, trying to make sure that those facilities constructed meet the tribal priorities; and long periods of negotiation with the tribes, not only about the characteristics of the facilities but also about the degree of involvement of the tribes themselves with the design or construction of those facilities.

Senator ANDREWS. But the Congress has specifically identified a medical facilities shortage. They have appropriated the funds to take care of it; $97 million is a lot of money, even in the medical profession, and when we look at your saying that the majority of this will be obligated with 12 months, that means that it takes you a couple of years to get this thing underway. Why does it take that long? Obviously, we have the Rosebud facility in South Dakota that has been dragging on for some time? How come? You know, the longer it takes, the more the people in that area are denied the adequacy of medical care that these facilities are designed to remedy.

Dr. GRAHAM. I think that is a very legitimate issue. It is one which Dr. Rhoades and I have been dealing with over the last year or so. In my view, the time involved in the preparation of a final design or construction contract is complex because, as I said, the No. 1 thing that we attempt to do is to make sure that the facility—even as identified by the Congress as a priority and money appropriated—is satisfactory to the tribes. Depending upon the specific construction project, we do have lengthy discussions and negotiations with the tribes about the location, design, services to be provided in that facility, and determination as to whether or not the tribes themselves wish, under contract, to assist or participate in the design or construction.

Therefore, there is some front-end negotiation, and then certainly within the Department in terms of making sure that the facilities design meets the necessary specifications, we do have to work with other offices within the Department. The IHS and the Public Health Service have been criticized in the past because of the delay, exactly as you have raised it. What Dr. Rhoades and I are doing to the best of our ability, between his office, my office, and others in the Department, is to make sure that as little time as possible is utilized within the Department between the availability of funds and their obligation.

Senator ANDREWS. What is the total amount of money that is required to bring all IHS facilities into compliance with Medicaid/Medicare standards?

Dr. GRAHAM. I believe that sum, by our estimate at the present time, is in the neighborhood of around $55 million, sir.

Senator ANDREWS. How much of the IHS budget for fiscal 1986 should be allocated to correcting the identified deficiencies in IHS facilities?

Dr. GRAHAM. If I am understanding the thrust of your question, we have $2.4 million that is identified for maintenance and repair. We also have, of course, the use of the Medicare and Medicaid funds where we are trying to maintain or bring up to the JCAH standards those facilities, and those funds can run in availability between $40 and $50 million. That is not, though, specifically construction funds. That is more maintenance and repairs, sir.

Senator ANDREWS. Would it be fair to assume, then, on the basis of what you said—$55 million being the need, $2.5 million being the amount that you have in your budget—that it will take 20 years to get up to the quality level that Medicare/Medicaid desires?

Dr. GRAHAM. I am not sure that is the formula that I would use. I think, to be perfectly candid, that what we are presenting for discussion with you is a budget where in this fiscal year we do not feel that we can seek an appropriation for those amounts. Obviously, for me to say 20 years, I think, is not forthcoming because during those 20 years other facilities will develop their own needs, and it's a gap that you are never closing.

We are in a period where, I think, to make the policy issue between us perfectly clear, we are able to identify needs. We are not able, in this budgetary period, to propose to the Congress an expenditure of funds to meet those needs. This is an area where we must defer.

Senator ANDREWS. Let me ask that question again. You have identified $55 million as the amount necessary to bring these facilities up to Medicare/Medicaid standards. You said you have $2.5 million in this budget to do that kind of work this year. I am correct in both of those assumptions, as I understand.

Dr. GRAHAM. Yes, sir.

Senator ANDREWS. Now the thought occurs to me that not only are we talking about it taking 20 years to bring the existing facilities up to the standards Medicare asked for, but each year other facilities are dropping out of the standards, probably because of the depreciation or the aging of the building. Is that not also true?

Dr. GRAHAM. That was my point, sir.

Senator ANDREWS. How much drops out each year? Three, four, or five million dollars? Do you have a wild guess?

Dr. GRAHAM. Dr. Rhoades' assessment is that, although we do not have exact data, that is not an unreasonable ballpark figure.

Senator ANDREWS. So, we are spending $2.5 million to put into this pot and we're going behind at $5 million a year. That is sort of going backward as far as getting health facilities for Indians up to standard, and that is, of course, the figure that intrigues us if we are going to meet the challenge we have got.

If not brought to the standard, can these facilities participate in Medicaid and Medicare?

Dr. GRAHAM. Yes, they can, sir. There are two types of certification. One is the JCAH certification which is the most rigorous. The second level is certification by the Health Care Financing Administration for a facility to be a participating facility. All of our facilities, even though they may not be JCAH-accredited at the present time, are certified by HCFA and are eligible to participate in the Medicare/Medicaid project.

Senator ANDREWS. Yes, but the question I asked was whether they were up to Medicaid/Medicare standards.

Dr. GRAHAM. Sorry. That was what I was trying to say. The answer is "Yes."

Senator ANDREWS. What specific changes have you made in either your billing or collection procedures that would lead the Department to believe that it will more than double its collections from Medicaid and Medicare sources in fiscal year 1986? You are not using that same computer that Secretary Fritz is having the problems with, are you?

Dr. GRAHAM. I do not think so, although we may get it on consignment if you buy him a new one.

We do not anticipate that there will be any specific changes in our collection procedures or policies. Our experience every year has been that we have been able to recover more funds through title 18 and 19 billing than has been the case in the past year. The target that we have set for fiscal year 1986 is in excess of our past experience, and what I have said to this committee before is that it is clear as part of the President's proposal to you that those are resources that we anticipate having available for the purposes of Indian health in fiscal year 1986. If at any time during the fiscal year it appears that the shortfall of those resources is going to make it impossible to reach the service levels that are also consistent with the President's budget, I will approach the officials within the Department to seek additional resources.

Senator ANDREWS. Thank you very much, Dr. Graham. I have a number of other questions that I would like to have you answer for the record, as do my colleagues, and if you would do that we will be able to make a complete record.[1]

Dr. GRAHAM. I will be happy to do it, Mr. Chairman.

Senator ANDREWS. I appreciate your appearance here today and I am sorry about our time problem.

Your prepared statement will be entered in the record at this point.

[The prepared statement follows. Testimony resumes on p. 32.]

PREPARED STATEMENT OF ROBERT GRAHAM, M.D., ADMINISTRATOR, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES

I am Dr. Robert Graham, Administrator of the Health Resources and Services Administration. With me are Dr. Everett Rhoades, Director of the Indian Health Service, and Mr. Bill Pearson, Associate Director for Administration and Management, Indian Health Service. We are pleased to be here today to discuss with you and your Committee the Fiscal Year 1986 budget request for Indian Health programs.

The Indian Health Service (IHS) is the Federal bureau charged with administering the principal health program for American Indians and Alaska Natives. The goal of the IHS is to raise the health status of Indian and Alaska Native people to the highest possible level. Its mission is threefold: 1) to provide and/or assure the availability of high quality comprehensive, accessible health services; 2) to provide increasing opportunities for Indians to manage and operate their own health programs; and 3) to serve as a health advocate for Indian people. In FY 1986, the IHS will continue its mission by providing comprehensive health services to approximately 987,000 Indian and Alaska Native people.

Since the transfer of Indian health programs from the Department of the Interior to the Public Health Service in 1955, this comprehensive health delivery system has developed into three modes of delivery. Direct health services are provided through the operation of 47 hospitals, 80 health centers, and more than 500 smaller health stations and satellite clinics.

The tribal health delivery system, which is administered by tribes and tribal organizations through contracts with the IHS, operates 4 hospitals and 262 health clinics. The purchase of medical care from non-IHS and non-tribal providers, or contract health services, is the third method of service delivery. Contract health services represent services either not available in IHS's direct or tribal facilities or required in locations where no IHS or tribal facility exists.

---

[1] See p. 19.

I would like to take this opportunity to recount to you some of the program achievements in FY 1984 and 1985. These accomplishments fall into the three broad areas of health services, management improvements, and self-determination activities.

In the area of health services:

1. In FY 1984, the IHS completed a review of the Alaska Hepatitis-B Control Program which has resulted in the expansion of the program to the entire Alaska Native population. Approximately 28,000 Alaska Natives have now been screened, including all of the high-risk villages. By the end of FY 1985, it is anticipated that a total of 35,000 Alaska Natives will be immunized.

2. In FY 1984, 90% of all native American children 27 months and under were appropriately immunized for their age. This percentage has been maintained for the last three years and exceeds the rate for the general population.

3. The infant mortality rate for American Indians and Alaska Natives residing in the Reservation States has decreased 52 percent since 1969-1971, declining from 24.7 (rate per 1,000 live births) to 11.9 in 1980-1982. The IHS rate is currently equal to the U.S. All Races rate for 1981. The current neonatal mortality rate (fewer than 28 days) of 5.5 for Indians is less than the U.S. All Races rate of 8.0; while the Indian postneonatal rate (28 days—11 months) is greater; i.e., 6.5 versus 3.9.

4. Substantial progress has been made toward the equitable delivery of health services. The Equity Health Care Fund, established by the Congress, has increased steadily from FY 1981 to FY 1984. Last year a total of $41.8 million was distributed by means of a resource allocation formula to the tribes with the greatest resource deficiencies. The continuing infusion of major new increments of money has enabled the Equity Health Care Fund achieve its objective to insure that no tribe had an overall deficiency greater than 60 percent of optimum health care services. In FY 1985, the IHS has set aside an additional $5 million, or $46.8 million in total funding, to continue the progress towards equity. In addition, the IHS continues to develop an improved resource allocation strategy.

5. Currently, 40 of the 47 hospitals operated by the IHS and the 4 hospitals operated by the tribes are accredited by the Joint Commission on Accreditation of Hospitals (JCAH), an increase of 74 percent in the past decade. In addition, 28 free-standing health centers are accredited by the JCAH. The remaining 7 hospitals are certified by the Health Care Financing Administration as eligible to receive Medicare reimbursement.

In the area of management improvements, the IHS has achieved the following:

1. Major progress has been made on the Phase I implementation of the patient registration system; some Areas have registered 80 percent of users. Phase II, the automation of patient registration on microcomputers at the facility level, is about to begin implementation.

2. During FY 1984, the IHS completely reorganized its Headquarters operation, resulting in a more responsive organization and significant improvements in the overall management of the IHS.

3. During FY 1984, IHS improved the efficiency and overall effectiveness of the field organization through the relocation of Area/Program Office Directors to different Areas, and the appointment of new Area and Program Office Directors.

4. During FY 1984, the number of Indians in senior management positions within IHS was increased by 16%. This is in keeping with the objective of the IHS to continue to increase the number of Indians at all levels of the IHS, particularly in senior management positions.

The IHS has made significant strides in Indian self-determination activities:

1. In FY 1984 and continuing in FY 1985, the IHS will work in collaboration with the tribes in revising and improving the tribal specific health planning process. This process will provide for the evaluation of the delivery systems and provide data helpful for future budget decisions.

2. In FY 1985 and continuing in FY 1986, the IHS will continue to involve the tribes in resource planning and the development of an allocation methodology to reflect tribal concerns. In FY 1985, plans will be developed for orientation and training of the tribes on the actual Resource Requirement Methodology application and its relationship to an allocation methodology.

3. The IHS provides increased training and technical assistance to the tribes and tribal organizations who have elected to contract programs under the Indian Self-Determination Act (P.L. 93-638).

Some of the specific actions taken by the IHS which have been started in FY 1985 and will continue in FY 1986 are:

1. A major initiative involving the introduction of a services-based accounting system into the Resource Patient Management System by the end of FY 1986. Up to

$2 million will be specifically earmarked in FY 1986 to complete installation of this system in 12 IHS hospitals.

2. In FY 1986 $5 million will be used to expand the level of IHS resources devoted to contracts with Indian tribes. These funds will be used for tribal administrative costs incurred in operating P.L. 93-638 contracts.

3. The IHS, in FY 1985, developed a methodology to be used in establishing similarities and dissimilarities between the U.S. population and the IHS service population in terms of availability, use, cost, and outcomes of services. The results are anticipated to address the issue of "parity" of health services for Indian people with the U.S. population.

For Fiscal Year 1986, the budget request for the IHS includes $820 million in total obligations and $759 million in budget authority.

The 1986 program anticipates $62 million in reimbursements from Medicare, Medicaid, and other Federal sources to complement direct Federal appropriations.

Within the proposed $820 million budget, $18 million is available to meet essential cost increases to support health care delivery. This increase will be offset by savings in these areas: (1) reductions in non-services delivery expenses, including the government-wide five percent Federal salary reduction and the government-wide ten percent reduction in administrative costs ('$18 million); (2) non-recurring construction costs ('$59 million); and (3) elimination of certain non-direct clinical care activities; e.g., community health representatives, Urban health projects, and Tribal management ('$37 million).

Facilities construction funds are requested for major modernization and repair projects ($2 million) in existing Indian Health facilities. During FY 1986, planning and/or construction work for all purposes will proceed on facilities at 21 sites with an estimated $69.7 million in appropriated funds available from prior years.

This concludes my opening statement. We will be glad to answer any questions you may have.

[Subsequent to the hearing, the following questions and answers were received for the record:]

DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE TO QUESTIONS RAISED BY THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS SUBSEQUENT TO THE FEBRUARY 27 HEARING ON THE FISCAL YEAR 1986 BUDGET REQUEST FOR THE INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICE FACILITIES CONSTRUCTION PROGRAM

Question 1. For those facilities for which planning and design funds have yet to be expended, what is the Department's rationale for obligating those funds if there are no plans to proceed with construction?

Answer. The rationale for obligating funds to design a facility is to have a completed design ready so that construction may proceed as soon as funds are available.

Question 2. Please submit the Indian Health Service Facilities Construction Priority List for IHS inpatient and outpatient care facilities.

Answer. The current Indian Health Service (IHS) Priority Lists are at Tab A. (See p. 27.)

PROJECTED COLLECTIONS FROM MEDICARE AND MEDICAID AND PRIVATE INSURERS

Question 3. How much does the Department anticipate will be collected from private insurers in fiscal year 1986?

Answer. Less than $100,000.

Question 4. What is the cost to the Indian Health Service for the collection of reimbursements from:

(a) Medicaid and Medicare sources?

(b) Private insurers?

Answer.

(a) The average cost per year has been approximately $2.2 million.

(b) Approximately $250,000 for FY 85.

Question 5. What percentage of IHS patients are estimated to have private insurance coverage?

Answer. A recent study commissioned by the Department estimated that approximately 5% of the IHS service population has private health insurance coverage of which 3.75% is due to Federal employment and 1.25% due to tribal or private industry employment.

INDIRECT COSTS

Question 6. How did the Department determine the figure of $5 million to be directed at addressing indirect costs problems? Is this amount intended to fund new or existing tribal contracts?

Answer. Although it is projected that the total indirect cost requirements are higher than $5,000,000, it was felt that this amount was the maximum that could be utilized from the clinical services budget category and would provide support for new starts.

Question 7. How does the Department propose to distribute the reduction of 85 full-time equivalents by category?

Answer. The FY 1986 request provides $5 million for administrative costs associated with tribal contracts. This request will reduce the need for 85 full-time equivalents for IHS operations. At this time the reduction is proposed to be achieved through attrition in non-medical care categories.

Question 8. Since the Indian Health Service draws its administrative costs from the direct operations budget activity, why is the Department proposing to draw the $5 million for tribal administrative costs from the Hospitals & Clinics program rather than from the Direct Operations budget activity?

Answer. The $5 million is proposed to be funded from the Hospitals and Health Clinics activity since the majority of tribal contracts are for hospital and clinical activities and their current indirect costs are, to the extent funds are available, funded from this activity.

HOSPITAL AND HEALTH CLINIC DEFICIENCIES

Question 9. What is the total amount of money that is required to bring all IHS facilities into compliance with JCAH or Medicaid/Medicare standards?

Answer. Since all IHS facilities are in compliance with either JCAH or medicare/medicaid standards, no additional funds are required.

Question 10. How much of the IHS budget for fiscal year 1986 will be allocated to correcting identified deficiencies in IHS facilities?

Answer. The FY 1986 budget request for the IHS includes $2.45 million for correcting deficiencies. The IHS also uses the Medicare/Medicaid funds to correct deficiencies in the categories of Personnel/Personnel Services, Supplies/Equipment, and Maintenance and Repair.

Question 11. What is the base of recurring costs to the Indian Health Service to maintain compliance with JCAH standards?

Answer. Approximately $14 million has been identified in the plans of correction.

Question 12. Is it the Department's position that patient travel and cost of printing represent an appropriate use of Medicaid/Medicare reimbursements under the provisions of the Indian Health Care Improvement Act?

Answer. Printing costs for items used in direct patient care are considered to be an appropriate use of Medicare and Medicaid funds. Patient travel is not considered an appropriate use of the Medicare and Medicaid funds.

RESOURCE PATIENT MANAGEMENT SYSTEM

Question 13. What is the total amount of money that is required to complete full implementation of the resource patient management system?

Answer. The total amount of money required to complete full implementation within the direct care program and tribal/638 program is $9,510,000. This amount is divided into the following major categories with attendant costs.

Hardware procurement: Equipment to host RPMS in 193 facilities	$4,640,000
Hardware maintenance contracts: Estimated at 10 percent of total equipment costs (recurring)	500,000
Software development costs: Development will be provided from existing funding	0
Telecommunications costs: Leased lines and data transmission costs (recurring)	$1,000,000
Personnel costs: Estimate 112 new FTE Positions @ $30,000 (recurring)	3,370,000
Total	9,510,000

Question 14. Assuming that adequate funds are made available to the Indian Health Service, when will this system be fully operational?

Answer. An integrated information system encompassing financial and medical workload reporting will require years to be fully operational. By the end of fiscal year (FY) 1987 we plan on having integrated software for: Patient Registration; Cost Accounting; Outpatient Pharmacy; Laboratory; Admission, Discharge, Transfer, Bed Control; Clinic Scheduling; Contract Health Service; and the Patient Care Component. This software will be available for IHS wide distribution by FY 88. Implementation within each Area and facility is dependent upon obtaining the necessary hardware and trained staff. Additional components, which will be implemented as resources permit, include but are not limited to: Dental; Inpatient Pharmacy; Mental Health; Social Services; Order Entry/Results Reporting; Radiology; Inpatient Nursing; Community Health Nursing; Health Education; Environmental Health etc.

Question 15. What is the current computer capability of the Indian Health Service?

Answer. The IHS currently has an IBM 4341 computer and peripheral equipment at its Data Processing Service Center (DPSC) in Albuquerque. This equipment supports all IHS-wide data systems. Most IHS Area Offices have NCR minicomputers which are used for data entry, transmission and retrieval of financial data from the Parklawn Computer Center, and operation of the Contract Health Service Management Information System. Beginning in October, 1983 the IHS acquired various single-user microcomputers, also known as personal computers. These are deployed at Headquarters, in Area Offices and many Service Units for the implementation of word processing and small data systems (e.g. inventories, budget planning, etc.) using commercially offered software packages such as dBase, Lotus, Multimate, etc. In October, 1984, most IHS Areas acquired multi-user minicomputers for implementing, at IHS hospitals and clinics, various Resource Patient Management System (RPMS) modules such as Patient Registration, Pharmacy, Laboratory, and Clinic Scheduling. A Plessey minicomputer was acquired for most Area Offices to facilitate distributed systems development and distribution of completed computer programs from development sites to other Areas. Each Area was allowed to choose its own facility-level minicomputers, provided that the vendor's equipment could comply with IHS software standards including the ability to run MUMPS and File Manager. With these general guidelines in place, equipment selected by the Areas include Plessey, Burroughs, Digital Equipment Corporation, and Wang. Roughly 60 to 80 facility-level minicomputers have been procured to date and are currently being installed in the field.

Question 16. What are the results of the Requirements Analysis that was conducted to identify the information needs of the Indian Health Service and tribal governments for the RPMS program?

Answer. In FY 83, a major requirements definition activity was undertaken within IHS. The information needs of every Service Unit, Area Office, and Headquarters Division were solicited and incorporated into the first IHS Five-Year ADP Plan. Analysis and subsequent refinement of this plan resulted in identification of several clinical applications as top health systems priorities and cost accounting as the top administrative systems priority. In parallel with this requirements analysis, several systems requirements (patient registration, Contract Health Services enhancement, cost accounting) were being mandated by higher echelons. During this three year course of requirements analysis, these various sets of health and administrative modules became identified under the umbrella term "Resource and Patient Management System," or RPMS.

Question 17. What computer capability gaps in the current system were identified?

Answer. Until recently, there were almost no facility-based computers. This resulted in lengthy information turnaround, little output flexibility, long developmental lead-time, and no local control over information. Distribution of ADP resources was, throughout the analysis process, a major objective of almost all systems designers and users within IHS.

Question 18. How will the RPMS address the needs identified in the Requirements study?

Answer. The RPMS includes, as core components to be developed and pilot tested in FY 85-86, all of the top-priority health care applications identified in the requirements analysis. These include Patient Registration, Pharmacy, Lab, Admission/Discharge/Transfer, Clinic Scheduling, Contract Health Services, and Patient Care Information System. These modules are being developed, or Veterans Administration (VA) versions modified for IHS use, and pilot tested in various IHS sites including the Oklahoma Area Office, Sells Arizona Service Unit, Anchorage Native Medical Center, and the Claremore Oklahoma Hospital. All will be in the pilot test mode by mid FY 86. The Cost Accounting module is being developed jointly by IHS and a contractor and will be pilot tested at the Claremore Hospital in FY 86.

The key elements of this coordinated effort called RPMS are local processing of data, use of general purpose software tools such as the VA File Manager (a data base management system), and integration of information from multiple data bases representing different functional areas of the health program. The potential benefits are numerous including faster processing of information, local development of applications, reduced dependence on computer programmers, a common patient file at the local level, elimination of redundant data entry, statistical and planning information across disciplinary or functional lines, dramatically improved availability and flexibility of computer output, useful medical feedback to health care providers, and the capability to determine accurate cost data for the services we deliver.

Question 19. Which specific tribal governments and service units participated in the Requirements study?

Answer. The initial requirements definition in 1983 did not include tribal participation except to the extent that Areas and Service Units involved them locally. However, as soon as the Area and Headquarters Information Systems Coordinators (ISC's) were established at the end of FY 83, tribal participation was included in IHS ADP planning at the national level. Because of the advanced state of information systems within the Seneca Tribe, the Seneca tribal ISC was invited to participate in IHS/ISC deliberations. With the full support of the ISC Council, the Seneca ISC solicited input from all tribes concerning the formation of a tribal computer users groups which would designate an official representative to the ISC group.

Question 20. Has the Indian Health Service entered into any contracts for the RPMS hardware?

Answer. The IHS has not entered into any contracts for the RPMS hardware. The IHS is in the process of developing an Agency Procurement Request (APR) for Delegated Procurement Authority from the Department to purchase hardware for our major hospitals and Area Offices.

Question 21. How does the Department propose to expend the $2 million that is requested for the development of RPMS?

Answer. The request of $2,000,000 will supplement the development of a services based accounting system into the Resource and Patient Management System (RPMS). The costs associated with and the workload resulting from the provision of health care services provided in IHS facilities will be linked through a system which distributes all administrative and operating costs and workload into final reporting centers. The overall costs for services delivered will be reflected through this system. A uniform approach covering manpower utilization, workload indicators and allocation of overhead costs will provide information which will permit managers: to determine the resources required by each facility; to evaluate the performance of each IHS and Tribal facility and to evaluate individual departments and disciplines. During FY 1985, a pilot program will be developed and tested in one location. During FY 1986, the system will then be replicated in 12 IHS hospitals at a total cost of $2.0 million as reflected in the budget request. The greatest portion of the funding will be for equipment acquisition and installation with the remainder used for enhancing the administrative skills of local managers. The system will be implemented throughout the remaining IHS hospitals and outpatient facilities as time and resources permit.

COMMUNITY HEALTH REPRESENTATIVE PROGRAM

Question 22. With the proposed elimination of the Community Health Representative program, how does the Department plan to provide the emergency medical services that are now being performed by Community Health Representatives?

Answer. Those emergency medical services provided by Community Health Representatives (CHR) would be assumed by existing staff or through the private sector.

Question 23. What plans does the Department have for assuming the sanitation engineering functions that are currently being carried out by Community Health Representatives?

Answer. The CHRs are not involved in the design or construction of sanitation facilities serving Indian homes and communities.

TRIBAL MANAGEMENT PROGRAM

Question 24. What plans does the Department have for assuring that tribes are able to continue their self-determination efforts and are able to address the need for feasibility studies, development and start-up costs, given the proposed elimination of the tribal management program?

Answer. Tribal Management funds are used to support activities such as development or improvement of management systems, general health planning, evaluation, training, technical assistance, etc. In most cases, these activities can be provided by the Area Offices personnel.

URBAN INDIAN HEALTH CARE PROGRAMS

Question 25. In testimony before a House Committee in the 98th Congress, the Administrator of the Health Resources and Services Administration stated that the Department was conducting a study of the alternate resources that are available to serve the urban Indian population. Please submit that study to this committee.

Answer. During the 1984 hearing before the House Interior and Insular Affairs Committee on the reauthorization of the Indian Health Care Improvement Act, the Administrator, Health Resources and Services Administration (HRSA), was asked for a study that would demonstrate "that the health care needs of Native Americans would be met adequately on a par . . . with those of other urban populations of similar review." The administrator's reply was not that there was such a study but that there had been analysis of alternate resources which could be supplied.

Tab B is a table showing receipts by Urban Indian Projects from all sources during fiscal year 1983. Tab C provides total non-IHS receipts by such projects from FY 1978 through FY 1983. Tab D is a listing of some programs that are available to Indians living in urban centers served by Urban Indian projects funded under P.L. 94-437, including community health centers funded by HRSA's Bureau of Health Care Delivery and Assistance. The discussion of "alternate resources" in this context, however, is somewhat misleading.

One of the functions that all Urban Indian Projects, funded under P.L. 94-437, are required to perform is to "identify all public and private health service resources within the urban center in which the organization is situated which are or may be available to urban Indians and to assist the urban Indians to utilize these resources." The Administration position that Title V should not be extended is not based on there being alternate resources specifically available to urban Indians but on the basis that the same resources available to other members of the urban community are available to Indian members of the urban community and that this access has been greatly improved by the past efforts of the Urban Indian projects.

WATER AND SANITATION

Question 26. What is the Indian Health Service definition of water and sanitation facilities?

Answer. Sanitation facilities are defined as a potable water supply (meeting primary and secondary drinking water standards), a means of sanitary sewage disposal (meeting Environmental Protection Agency pollution control standards), a method for the collection and sanitary disposal of solid wastes from the home, and the existence of a utility organization to ensure the continued operation and maintenance of these facilities.

Question 27. As part of the commitment of the Department of Housing and Urban Development (HUD) to provide water and sanitation funds to HUD units, does HUD provide funds for these types of facilities?

Answer. Since the commitment was made in 1982, the Department of Housing and Urban Development (HUD) has instructed its Regional Offices to limit HUD participation in the funding of offsite facilities to the provision of water and sewer facilities only. This does not include the collection and sanitary disposal of solid waste from the home or the development of necessary utility organizations.

Question 28. Please provide the Committee with an estimate of the amount of funds that HUD has committed to the Indian Health Service since 1982 for the provision of water and sanitation to HUD units.

Answer. As of the end of FY 1984, HUD has committed approximately $65 million in contract authority and $9 million in Community Development Block Grant funds for the provision of water and sewer facilities to HUD-sponsored units. The HUD commitment is made to the local Indian Housing Authority (IHA), not to the Indian Health Service (IHS); however, the IHS does the engineering feasibility and provides the cost estimate to the IHA for the proposed facilities.

Question 29. Of the funds committed by HUD, how much of this amount has actually been transferred to the Indian Health Service?

Answer. As of February 28, 1985, HUD has transferred, through the local IHAs, approximately $22 million to the IHS for the provision of water and sewer facilities for the HUD-sponsored Indian housing units.

Question 30. Has HUD ever signed a formal agreement with the Indian Health Service for the commitment of these funds? If not, why hasn't such an agreement been signed?

Answer. There is no formal agreement, per se, between IHS and HUD. However, in a letter dated July 27, 1982, the Deputy Assistant Secretary for HUD provided to the Public Health Service (PHS) a set of conditions that were required to be included in the IHS's standard Memoranda of Agreement (MOA) with the tribes and housing authorities in order for HUD to provide the offsite sanitation facilities to HUD-sponsored units. The Assistant Secretary for Health responded in a letter dated September 17, 1982 clarifying our understanding of some of the HUD required conditions and indicated that if HUD was in agreement with our clarifications that PHS considered the modified standard MOA acceptable. Since that time, there has been an exchange of letters between the Secretaries concerning items that are eligible for funding by HUD contract authority. No overall formal agreement has been signed because HUD does not have the legislative authority to transfer funds directly to the IHS.

Question 31. It is the understanding of the Committee that the transfer of funds from HUD to the Indian Health Service is quite cumbersome and the mechanism very slow. What does the Department recommend to improve this process?

Answer. One alternative might be to provide HUD with the legislative authority to transfer funds directly to IHS for the provision of sanitation facilities (water, sewer, solid waste and the establishing and/or equipping of operation and maintenance organizations) to HUD-sponsored Indian housing units.

Question 32. Are there HUD units that are completed, but for which necessary funds are lacking to enable the Indian Health Service to provide water and sanitation?

Answer. There are no HUD-sponsored Indian housing units completed without water and sewer facilities.

Question 33. How many non-HUD units at the present time require water and sanitation facilities?

Answer. The following table identifies the IHS estimated number of non-HUD new or renovated Indian housing units that will require sanitation facilities in FY 1986.

[In millions of dollars]

Housing sponsor	Units	Funds required
BIA	1,000	$8.3
Tribal/other	1,900	15.7

Question 34. How many existing Indian homes have never received water and sanitation for the first time?

Answer. More than 22,000 existing American Indian and Alaska Native homes have never received first service sanitation facilities from the IHS.

Question 35. Where are those units located?—Please provide the Committee with a list of these deficiencies.

Answer. The 22,000 existing homes lacking safe water and a sanitary means of waste disposal are located among the 30 states identified in the Table at Tab E. (See p. 27.)

Question 36. HUD is using housing amendments to provide funds for water and sewer to HUD Indian housing units. This is added to the total development cost of the unit. Would it not be more cost efficient for the Indian Health Service to provide water and sanitation services to the entire community?

Answer. The provision of sanitation facilities by IHS utilizing direct appropriations and emphasizing the "total community" concept for sanitation facilities projects has always been very effective from a public health viewpoint and the most cost efficient approach.

Question 37.[1] The President has proposed a Medicaid budget that would establish a financial cap for the State of Alaska, while the Indian Health Service is proposing to significantly increase billings for services to Medicaid-eligible patients. Does the Department intend to account separately for IHS Medicaid receipts and to exclude such receipts from the State's cap?

Question 38.[1] In the Alaska service area, how much Medicaid money has been billed by the Indian Health Service and how much has subsequently been expended on the upgrading of IHS facilities within Alaska? If there is a difference in these two figures, how are they reconciled and for what other purposes was that money expended?

---

[1] At the time the hearing went to press, no response had been received. When responses are received, they will be retained in the files of the committee.

Question 39.[1] If the IHS or IHS contractors' Medicaid receipts are to be counted within a State's cap, what is the rationale for not requesting full funding for IHS services with direct appropriations, given that the Medicaid budget request calls for a $1 billion reduction nationally from the current services estimate while IHS is proposing to expand services and charges?

Question 40. How does the status of the Indian Health Service as a residual provider of health care services to Indian people relate to IHS efforts to bill insurance companies for health services rendered?

Answer. The two concepts are independent. The IHS is a residual provider because neither the Snyder Act nor any other act under which IHS operates establishes an entitlement program. Since individual Indians are not entitled to any specific service or level of care from the IHS, they retain their eligibility for other programs both private and public. Put another way, the other programs cannot refuse to provide or pay for services based on an individual Indian's entitlement to IHS programs because such entitlement does not legally exist. The IHS is, therefore, legally a residual resource and the regulation for both direct and contract care reflect this status.

The regulation which applies to contract care funds is found at 42 CFR 36.23 (f) and provides:

Alternate Resources. Contract health services will not be authorized by the Indian Health Service when, and and to the the extent that, alternate resources for the provision of necessary medical services are available and accessible to the individual requesting the services or would be available upon application of the individual to the alternate resource.

The regulation for contract care is consistent with the longstanding regulation at 42 CFR 36.12 (c), quoted in part below, governing direct care:

(c) *Priorities when funds, facilities, or personnel are insufficient to provide the indicated volume of services.* Priorities for care and treatment, as among individuals who are within the scope of the program, will be determined on the basis of relative medical need and access to other arrangements for obtaining the necessary care.

The problem with billing, or more correctly, collecting from insurance companies is tied to the fact that the IHS does not charge Indians for the care it provides. Since the individual Indian does not have a legal obligation to pay, the insurance company, in turn, does not have a legal obligation to pay. Except in the rare case where there is a contract provision to the contrary, there must be an underlying liability on the part of the insured before there can be liability on the part of the insurance company. The so call "exclusionary clause" reflects this fact but it is not the cause.

In addition, the fiscal year 1984 appropriation for the IHS, P.L. 98-146, contains the following language:

. . . the Indian Health Service shall not initiate any further action to bill Indians in order to collect from third party payors nor to charge those Indians who may have the economic means to pay unless and until such time as Congress has agreed upon a specific policy to do so and has directed the IHS to implement such a policy. . . .

This statutory language does not preclude the IHS from billing insurance companies based upon assignments from the Indian insured. However, the Senate report indicates agreement with the House that such bills "shall not become the debts of the individual Indians should insurance companies fail to pay." Thus, the IHS is precluded by the appropriation provision from imposing a charge on Indian patients for which the Indian patient will be personally liable. Since the insured patient may not be held personally liable for the charge, the likelihood of IHS successfully collecting from insurance companies is questionable.

It is the fact that IHS is not an entitlement program which provides a deceptive link between the IHS residual status and problems with billing insurance companies.

Question 41. If a person is entitled by law to receive medical services from the government, his insurance company characterizes the government-provided services as a "prior resource" and will not reimburse the government for services rendered. How does the Indian Health Service plan to address this problem? Is the Indian Health Service the last payor?

Answer. The Department is actively investigating possible strategies to collect from health insurers. The Assistant Secretary for Planning and Evaluation is conducting a study on, among other things, the feasibility of collecting from health insurers. See number 40 above for a discussion of IHS as last payor (residual status).

---

[1] At the time the hearing went to press, no response had been received. When responses are received, they will be retained in the files of the committee.

Question 42. What is the Indian Health Service policy concerning the collection of funds from health care insurers to cover the costs of services rendered to individual native patients?

Answer. The IHS is continuing to bill insurance companies, as instructed.

Question 43. What is the current Indian Health Service policy regarding the provision of medically-related transportation services to and from a medical facility? Is this policy uniform throughout Alaska?

Answer. Policy governing medically related transportation to and from a medical facility permits IHS to pay the cost for the patient and when medically necessary, an escort. These costs are incurred only when properly authorized and when they are consistent with established medical priorities. This policy is uniform throughout Alaska and the other states in which the Indian Health Service operates.

Question 44. Do individual service area directors have the authority to establish their own transportation policies?

Answer. Policy governing patient and escort transportatin is consistent throughout the Indian Health Service. Variations in the type of transportation and the type of patient transported will vary from location to location depending on a number of variables, such as: medical needs of the patient; necessity to transport patient to a contract facility vs. capability of IHS staff and facility.

Question 45. What are the current plans for the use of Public Health Service corps officers to deliver IHS care throughout Alaska?

Answer. The IHS will continue to utilize Public Health Service Corps officers in Alaska where needed. In the event Public Health Service Corps officer presently assigned in Alaska will not be needed, IHS will attempt to reassign the officer to an IHS facility in another Area or Service Unit.

Question 46. What current preventive mental health, alcohol and suicide prevention services are offered through IHS or IHS contractors in Alaska?

Answer. There are mental health contracts in 6 of the 13 Regions in Alaska. All contracts are jointly funded with the State of Alaska. Preventive care is offered concurrently with inpatient and outpatient treatment.

There are 13 community based alcoholism programs serving Alaska Natives jointly funded by the IHS and the State of Alaska. Most of the funding comes from the State with the IHS share totalling $1.5 million. All 13 programs provide outreach activities, one provides impatient services (detoxification and primary residential treatment) and one does community prevention. However, the majority of these programs do prevention work through village counselors, community education programs, and outreach workers. Other prevention activities include work in such areas as legislation, education, and community support activities. Examples of preventive activities in the legislative field include raising the drinking age from 19 to 21, village drug laws, controlling hours of businesses serving alcoholic beverages, and strong driving while intoxicated (DWI) laws. Current efforts are to include the operation of boats in the DWI laws. An alcohol education curriculum has been created and initiated for grades K through 12. Workshops are also held for special town and community meetings concerning alcohol abuse and youth centers and special activities are held for youth and the elderly.

Almost all services for suicide prevention are provided through emergency/crisis intervention. Several villages have education projects as well.

Question 47. What is the mental health program that is available through the Bethel service hospital?

Answer. The IHS and the State of Alaska jointly fund a mental health program in the Yukon-Kushokwim Delta (Bethel) Service Unit which is managed by the Yukon-Kushokwim Health Corporation under a contract. Total funding is approximately $350,000 to $400,000. The project is staffed with a full time psychiatrist, mental health nurses, and a periodic consultant psychiatrist from Anchorage. Office space for this staff is located within the Yukon Kushokwim Delta Regional Hospital. The program provides inpatient and ambulatory mental health services to the eligible service population. Staff also make annual visits to 57 villages within the Service Area. The staff provides telephone consultation to indigenous health care providers within these villages as necessary.

TAB A

CURRENT IHS FACILITY PRIORITY LISTS

March 1985

INPATIENT FACILITIES

1. Rosebud, South Dakota
2. Sacaton, Arizona
3. Anchorage, Alaska
4. Pine Ridge, South Dakota
5. Kotzebue, Alaska
6. Shiprock, New Mexico
7. Harlem, Montana
8. Ft. Defiance, Arizona
9. Crow, Montana

AMBULATORY CARE FACILITIES

1. Wagner, South Dakota *
2. Toppenish, Washington
3. Parker, Arizona
4. Ft. Hall, Idaho
5. Sallisaw, Oklahoma
6. Belcourt, North Dakota

---

* Wagner appeared on the 1981 inpatient priority list, but was moved to the ambulatory care list in 1984 when IHS proposed replacing the existing hospital with a health center and received design funds for that solution. A final decision on the solution at Wagner has not yet been made.

TAB B

IHS FUNDED URBAN INDIAN HEALTH PROGRAMS
Distribution of Reported Receipts, By Source, By Program [1]
FY 1983

	TOTAL	CHC SEC. 330	MCH BLOCK GRANT	TITLE X FP	WIC	OTHER FEDERAL	IHS TITLE V	IHS OTHER	TITLE XVIII M/C	TITLE XIX M/A	TITLE XX SS/FP	OTHER THIRD PARTY	PATIENT COLLEC-TION	STATE	COUNTY	CITY	OTHER
ALL PROG.	16,850,126	982,040	128,235	87,247	438,211	801,824	7,385,438	728,607	40,709	621,031	61,116	502,262	549,500	1,343,645	686,811	239,120	2,254,300
Percent	100.0	5.8	0.8	0.5	2.6	4.8	43.8	4.3	0.2	3.7	0.4	3.0	3.3	8.0	4.1	1.4	13.4
Pierre[2]	165,374						142,000			752				20,993			1,629
Albuquerque	104,465				8,550		85,865							4,947			5,103
Denver	189,988						157,300								29,453		3,235
Chicago	166,930						130,494			1,313		4,969	5,464				24,690
Detroit	231,452						215,407		1,022	3,555		1,761		8,750			957
Green Bay	111,883						89,500								22,383		
Milwaukee	1,228,877	420,078					350,502	29,470	1,338	82,648		28,513	36,996	122,066		57,000	100,266
Minneapolis	1,269,155	382,201					424,429						233,683	11,193	157,859	19,278	40,512
Anaconda	27,001						27,001										
Billings	124,044						98,000										26,044
Butte	34,543						34,543										
Great Falls	83,816						83,099										717
Helena	86,914						56,099			2,151		1,556					27,108
Miles City	58,248					30,248	28,000										
Missoula	59,138						51,199										7,939
Bakersfield	145,978					20,652	118,302					2,206					4,818
Compton[2]	1,530,844			85,350	52,736		465,056	327,437	9,391	99,181		83,768		152,890	246,885		8,150
Fresno	515,938				49,788		138,867					52,125	55,108	198,450			21,600
Sacramento	548,784						189,611					169,064		166,093			24,016
San Diego[2]	345,726						194,623		3,197	11,099		1,046	8,739	111,742			15,280
San Francisco	911,534		128,235		83,223		290,918		8,566	151,605		64,259	20,028	119,000	31,200		14,500
San Jose	429,871			1,897	42,565		170,841		137	67,668		13,434	12,796	108,436			12,097
Santa Barbara	326,190						176,785			10,633		11,230	44,877	72,665			10,000
Dallas	1,136,813				93,866	545,327	427,855					150	21,667	3,650	40,000		4,298
Oklahoma City	440,913						426,636		22	118		55	12,318	1,764			
Tulsa	577,098	104,761			33,539	95,448	274,022		2,882	2,096		6,600	12,329			29,055	16,366
Wichita[2]	312,220						248,612			205		4,955	5,144	39,254			14,050
Phoenix	119,642						119,210		432								
Reno	147,056						147,056										
Salt Lake City	181,031				13,041		155,007						7,374	5,609			
Portland	410,716	75,000			21,368		279,660			12,280		6,443	11,488				4,477
Seattle	2,263,198				21,431	110,149	1,093,254	341,700	12,964	153,365	16,516	43,292	44,669	9,534	135,031	17,267	264,026
Spokane	304,460				18,104		178,815		758	19,133		6,729	9,652		24,000	24,000	23,269
Tucson	122,276						109,870			3,229		107	7,168	1,821			81
Boston	1,825,263						88,000				44,600			38,041		92,520	1,562,102
New York	312,747						119,000	30,000						146,747			17,000

[1] Includes receipts for other than health programs
[2] Total adjusted to the sum of the funding reported by source.

TAB C

URBAN PROGRAMS

FUNDING HISTORY FROM NON-IHS SOURCES

	1979	1980	1981	1982	1983
GRAND TOTAL	$6,574,823	$8,145,436	$8,244,863	$8,447,165	$9,464,688
PROJECT					
Minneapolis, MN	539,000	500,000	597,892	682,282	844,726
Milwaukee, WI	421,000	891,130	1,100,000	800,331	878,375
Detroit, MI	110,000	113,000	200,000	18,000	16,045
Pierre, SD	0	16,000	30,345	3,764	23,374
Omaha, NB	41,000	300,000	300,000	250,000	0
Green Bay, WI	218,750	134,000	77,000	52,883	22,383
Chicago, IL	15,000	25,000	12,000	11,650	36,436
Denver, CO	30,600	30,500	25,000	15,450	32,688
Albuquerque, NM	19,000	0	0	10,758	18,600
Great Falls, MT	12,400	188,500	85,000	0	717
Missoula, MT	12,000	63,184	63,184	0	7,939
Billings, MT	7,000	38,350	38,350	0	26,044
*Havre, MT	2,400	0	0	0	0
Butte, MT	1,000	20,563	20,500	6,905	0
Miles City, MT	7,000	0	0	10,000	30,248
Helena, MT	88,775	63,779	50,000	39,977	30,815
Anaconda, MT	36,445	0	0	1,772	0
San Francisco, CA	361,714	421,000	303,919	480,860	620,616
*Huntington Park, CA	171,862	391,000	385,000	0	0
Los Angeles, CA	411,368	300,000	500,000	650,550	1,065,788
San Jose, CA	271,813	155,720	206,968	212,600	259,030
San Diego, CA	88,000	123,280	102,158	488,277	151,103
Sacramento, CA	159,518	301,400	303,908	294,115	359,173
Fresno, CA	101,000	330,000	257,000	410,965	377,071
Santa Barbara, CA	99,460	121,000	86,537	280,094	149,405
Bakersfield, CA	72,100	0	10,000	18,131	27,676
Wichita, KS	42,000	100,630	130,000	8,380	63,608
Dallas, TX	126,100	106,700	135,183	176,750	708,958
Tulsa, OK	747,292	306,780	376,684	282,223	303,076
Oklahoma City, OK	0	22,800	20,016	13,319	14,277
Phoenix, AZ	0	0	0	0	432
Reno, NV	0	0	3,000	0	0
Salt Lake City, UT	0	0	4,980	9,960	26,024
Seattle, WA	2,042,126	2,133,000	2,000,000	2,695,998	1,169,944
Portland, OR	45,000	327,400	325,000	345,640	131,056
Spokane, WA	63,000	125,000	145,000	63,615	125,645
*Eugene, OR	0	74,920	117,800	0	0
Tucson, AZ	156,000	192,000	72,359	51,916	12,406
New York City, NY	0	2,000	60,000	0	193,747
Boston, MA	55,000	226,800	100,000	60,000	1,737,263

*These projects were discontinued in 1982.

TAB D

COMMUNITY HEALTH CENTERS FUNDED THROUGH THE BUREAU OF HEALTH CARE DELIVERY AND ASSISTANCE IN LOCATIONS WHERE THERE IS AN EXISTING URBAN PROGRAM FUNDED BY INDIAN HEALTH SERVICE.

LOCATION	BHCDA GRANTEES
BILLINGS	Montana Migrant Council
BOSTON	Joseph Smith CHC/Allston-Brighton
	Mattapan Commmunity Health Center
	Neponset Health Center (Dorchester)
	North End Community Health Committee
	Pennisula Health Community Inc. (Columbia Point)
	Roxbury Comprehensive Community Health Center
	South Cove Community Health Center
NEW YORK	Chinatown Health Clinic-New York
	Coney Island Hospital-New York
	Council's Ambulatory Care Center (Wash. Hgts)-New York
	East Harlem Clinic for Human Services/Boriken-New York
	Harlem Hospital Primary Care Network-New York
	Nena Comprehensive Health Services-New York
	P.R.Y.M.E.-New York
	Settlement Health and Medical Services-New York
	William F. Ryan Health Center-New York
SEATTLE	Central Seattle Community Health Center-Seattle
	Neighborhood Health Center-Seattle
	Sea Mar Community Health Center-Seattle
MINNEAPOLIS	Model Cities Health Center-St. Paul
MILWAUKEE	Inner City Develop Project-Milwaukee
ALBUQUERQUE	Albuquerque Family Health Center, Inc.,-Albuquerque
TULSA	Morton Health Center-Tulsa
DALLAS	Los Barrios Unidos Community Clinic-Dallas
OMAHA	Charles Drew Medical Center-Omaha
DENVER	Denver Department of Health and Hospitals-Denver
PHOENIX	Memorial Family Health Center-Phoenix2
TUCSON	El Rio Santa Cruz-Tucson
LOS ANGELES	Arroyo Vista Family Health (was TELACH)-Los Angeles
	Community Health Foundation of East L.A.-Los Angeles
	La Clinica Familiar de Barrio-Los Angeles
	Watts Health Foundation-Los Angeles
SAN FRANCISCO	North East Medical Services (NEMS)-San Francisco
	San Francisco Medical Center (COIP)-San Francisco
SAN DIEGO	Logan Heights Family Health Center-San Diego
PORTLAND	Multnomah County Department of Human Services-Portland

Other Alternative Resources

Public clinics operated by state/county/city health department are also available to urban Indians. These clinics often utilize funds from Federal Block Grants.

Medicaid/Medicare

TAB E

SANITATION FACILITIES
UNMET NEEDS BY STATE
END OF FY 84
($ X 1000)

	WATER	SEWER	Estab. or Improve O & M Org.	SOLID WASTE	TOTAL
Alabama	$ 200	$ 200	$ 0 *	$ 50	$ 450
Alaska	82,557	61,235	5,948	2,526	162,266
Arizona	72,178	30,190	1,735	5,810	109,913
California	9,668	5,459	1,094	1,270	17,491
Colorado	802	0	95	238	1,135
Connecticut	50	50	25	25	150
Florida	885	285	100	165	1,435
Idaho	565	185	0 *	70	820
Iowa	246	693	30	0	969
Kansas	240	240	130	0	610
Louisiana	225	60	0 *	35	320
Maine	1,850	4,980	200	210	7,240
Michigan	589	1,001	0 *	0	1,590
Minnesota	1,332	586	22	502	2,442
Mississippi	320	640	0 *	0	960
Montana	2,508	2,003	1,032	227	5,770
Nebraska	450	344	131	315	1,240
Nevada	1,569	1,027	931	1,112	4,639
New Mexico	47,418	14,061	1,830	4,141	67,450
New York	6,085	7,150	350	275	13,860
North Carolina	1,399	800	80	0	2,279
North Dakota	8,020	1,769	495	750	11,034
Oklahoma	31,196	31,683	2,003	2,556	67,438
Oregon	245	50	70	0	365
Rhode Island	400	200	0 *	50	650
South Dakota	12,353	5,483	986	1,231	20,053
Utah	4,940	1,171	194	229	6,534
Washington	5,660	1,739	50	375	7,824
Wisconsin	603	1,409	0 *	7	2,019
Wyoming	1,700	10	43	100	1,853
TOTAL	$296,253	$174,703	$17,574	$32,269	$520,799

* The funds necessary to establish or improve O & M organizations have been included in projects with identified water and sewer unmet needs.

Senator ANDREWS. Our next witness is Mr. John Myers, the Director of the Indian Housing Program, Department of Housing and Urban Development here in Washington.

Mr. MYERS. Good morning, Mr. Chairman.

Senator ANDREWS. Mr. Director, good to have you here. You can proceed with your statement. Let me assure you that it will appear in its entirety in the record.

STATEMENT OF JOHN MYERS, DIRECTOR-DESIGNATE, OFFICE OF INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, ACCOMPANIED BY ROBERT GAIR, DIRECTOR, BUDGET DIVISION, OFFICE OF PUBLIC AND INDIAN HOUSING; AND PATRICIA S.A. ARNAUDO, DEPUTY DIRECTOR, OFFICE OF INDIAN HOUSING

Mr. MYERS. Yes, sir. To my left is Robert Gair, Budget Director, Office of Public and Indian Housing, and to my right Ms. Arnaudo, Deputy Director of the Office of Indian Housing.

I do have a prepared statement. However, it being brief, I would like to read it for the record with your permission, sir.

Senator ANDREWS. Sure. Fine. Whatever you want to do.

Mr. MYERS. Yes, sir.

Mr. Chairman and members of the Senate Select Committee on Indian Affairs, I appreciate the opportunity and am honored to represent the Department before your committee. I bring greetings from Secretary Pierce and Assistant Secretary Lindquist and, on their behalf, express full support for the Indian housing efforts.

Before I discuss the Department's fiscal 1986 budget proposals, let me provide a short sketch of HUD's Indian Housing Program. The Indian Housing Program began in 1961 when it was administratively determined that Indian tribes had legal authority to establish, under Indian law, tribal housing authorities to plan, develop, and operate housing projects under the U.S. Housing Act of 1937, as amended. This determination created the first housing program on reservations and other tribal lands.

Since the early sixties, HUD has provided assistance in both the development and management of housing for Indians and Alaska Natives pursuant to that act. There are presently about 165 Indian housing authorities managing approximately 53,000 units, housing Indians in Indian lands. Each Indian housing authority administers its own program which may include home ownership or rental. The Mutual Home Ownership Opportunities Program now constitutes approximately 60 percent of the total housing assistance on Indian lands.

The underlying concept of the program is to provide an opportunity for home ownership which will be a strong incentive for participating families to aid in the building and maintenance of their homes. Each participating Indian family must make a contribution toward the cost of the dwelling, at least $1,500 in value, in the form of land, work, cash, materials, or equipment. This obligation can also be met by tribal contribution of building site and, where feasible, local building materials. Participants receive equity credit in the amounts approved by HUD toward the purchase of their homes in lieu of the cash for their contributions.

After construction, the prospective homebuyer occupies the unit under a lease/purchase type contract and is obligated to maintain the home, pay the utility cost, and make required monthly payments. Normally, the participating family will acquire title at the end of a 25-year period. However, if a family's income increases during the period of debt and a family makes correspondingly higher payments, the equity builds at a more rapid rate, consequently shortening the period of debt.

Under the rental program the contract is for 30 years and the dwelling units, upon completion, are rented by the housing authority to low-income Indian families. If rents from the tenants are not sufficient to pay for the housing authority's operating expense, operating subsidies are paid by HUD to ensure the low-income character of the projects.

Indian housing projects also are eligible for the Comprehensive Improvement Assistance Program [CIAP]. The CIAP Program provides funds to rehabilitate and modernize public and Indian housing projects.

Now let me turn to budget matters. In fiscal year 1984, HUD received $13.9 million of contract authority, and in budget authority $368 million for Indian housing development, and with these funds reserved about 2,762 units. That year construction was started on 2,130 units, and another 3,093 units were made available for occupancy. For fiscal year 1985, the HUD Appropriations Act contained funds for 2,000 Indian housing units.

The fiscal year 1986 Federal budget submitted by the President to Congress on January 4, 1985, proposes a 2-year moratorium for Indian housing development funds and all other Federal housing programs, including Farmers Home, HUD section 8/202, and vouchers. This policy is a part of the administration's deficit reduction efforts.

This action will not affect the approximately 12,000 units in the development pipeline which can be utilized for construction for Indian families during the next 2 years. It is estimated that 2,800 units will be started and 3,300 units will be completed during fiscal year 1985. HUD will work closely with the Indian housing authorities to assure that the pipeline projects are moved expeditiously to completion. Indian Housing Program reservations are expected to be resumed in fiscal year 1988.

The Federal budget for fiscal year 1986 also contains $82.3 million in budget authority for Public and Indian Housing Amendment funds. These funds will be used to meet capital expenditures for off-site water and sewer facilities, correction of design and construction deficiencies, additional funding needed to reach construction start, litigation, and to provide adjustments in financing requirements. Another $175 million is requested in fiscal year 1986 for 1-year capital funding of public and Indian housing emergency modernization needs—the CIAP Program. In addition, HUD's 1986 administrative budget includes $75,000 for contractual services for an Indian housing training program to help ensure that the program is managed properly by the Indian housing authorities.

At this juncture, let me share our views on HUD's Indian housing delivery system. The Indian Housing Program is modeled closely after the Department of Housing and Urban Development's public housing program, although the clientele and Government structure are obviously quite different for the two programs. To be rational and responsive, the Indian Housing Program must reflect those differences. During this year we plan to propose those changes in our Indian housing regulations that address the unique Indian concerns.

Many of the regulation changes have been recommended by the Secretary's Committee on Indian and Alaska Native Housing.

Senator ANDREWS. Mr. Director, just a minute. I'm sorry. I've got a problem. I'm overdue for a meeting in Bob Dole's office. I could ask you to summarize and I do the questioning but let me, instead of having you come back, let me have our staff director ask the questions that I would have asked when you finish your statement.

Mr. MYERS. I would be delighted.

Senator ANDREWS. We'll do the same thing with the other witnesses so that we get the record complete, instead of having to force you to come back and make another trip, if you would. If I can get back, I will, but I've got to get over there.

Mr. MYERS. I would be delighted, Mr. Chairman. Thank you.

This committee, which is composed of national Indian organizations as well as tribal and Indian housing officials, was set up in 1983 by the Secretary to advise HUD on Indian housing matters. At this time of fiscal austerity nationally, all Indian housing programs, and particularly those that involve new construction, are being given close scrutiny because of their effect on the size and growth of the national debt.

In response to such congressional and administrative concerns, the Indian housing authorities have done their part to reduce development costs by almost 26 percent to $54,270 per unit. This is a national average, and this was accomplished over the last 3 years. This has enabled us to reserve funding during fiscal years 1983 and 1984 for approximately 587 more units than originally budgeted for. The Indian housing officials responsible for those cost reductions and savings are to be congratulated.

We will continue to search for ways to economize on the cost of new housing without jeopardizing its durability and livability, through the use of alternative materials and structure types as well as through streamlining construction processes. In this direction we have implemented a special project to test the use of traditional materials such as adobe, plank, stove wood and log.

We are not asking tribes and Indian housing authorities to bear a heavier burden than other program recipients. The efforts are part of the Department-wide policy for improving administration and cost effectiveness of the programs financed by HUD.

I want to emphasize that this administration believes in local responsibility and local control. HUD obviously has the responsibility for ensuring accountability of expenditures of public money, but we prefer to carry out that responsibility, whenever possible, with the minimum of regulation and oversight. We believe very much in management by exception—that is, giving attention where it is needed and trying to eliminate unnecessary intrusions into well-run operations. Our purpose is to provide a greater degree of Indian Housing Authority autonomy without sacrificing accountability of the housing authorities, tribal governments, or HUD's responsibility to the taxpayer.

Where Indian housing authorities are demonstrating sound financial practices and exhibiting good track records in moving houses from funding to occupancy, and where tribal councils are also assuming their fair share of responsibility for quality in the housing product and operation, we would lean toward relaxation of some of the more time-consuming requirements now imposed by HUD regulations. To this end, we have implemented a special project to test the use of proclaimers or certifications in housing development for qualified Indian housing authorities. These selected Indian housing authorities will be permitted to develop housing without as much HUD involvement as is normally required.

On January 24, 1983, President Reagan made a statement on Indian policy which supports strengthening tribal governments and acknowledging the governmental status of Indian tribes. Secretary Pierce, Assistant Secretary Lindquist, and I, believe consistent with that statement, that the housing on Indian reservations should be integrated within an overall, long-term, economic strategy for Indian tribes. We believe that our objective should be: First, to build adequate housing; second, to structure HUD programs so that Indian people can participate fully in sharing and managing the programs affecting their lives; and, third, to mobilize and deploy private sector, family, individual and tribal, as well as Federal resources to improve the quality of life on Indian reservations.

In summary, we believe HUD is moving to carry out the Department's responsibilities to the American taxpayer and to America's Indian and Alaska Native population.

This concludes my remarks, and I would be happy to answer any questions that you might have.

Mr. **Taylor** [presiding]. Well, I would have two questions based on your statement and then some others that we have prepared to be asked.

On page 4 of your statement you indicate that the per-unit cost of housing has decreased by almost 26 percent. I am curious whether this decrease is perhaps reflected by a reduction of housing in the State of Alaska, which used to have excessively high housing costs.

Mr. **Myers**. No, that is not true. This is a reduction in development cost. We have collapsed the planning time and achieved some savings there, but basically it is a collection of those streamlining practices, as well as the encouragement of the Department, to go to industrialized housing—panelized, modular, and manufactured housing.

Mr. **Taylor**. The second question comes also from page 4, where I note that you are having a special project to test the use of traditional materials such as adobe, plank, and stove wood, log. I think this is a good project. Does this in any way put you in conflict with HUD's minimum standards on housing?

Mr. **Myers**. No, indeed. We will still require that these things meet minimum standards of decency and livability, but what we're doing is responding to requests from tribes that they be allowed to use the traditional materials and also the cultural designs in putting up their own homes. This is consistent with the President's

Indian Policy Statement of moving the decisionmaking process closer to the governments and the peoples affected by those decisions.

Mr. TAYLOR. Well, I think it is a forward-looking move.

We understand that HUD is considering the reduction of the pipeline by simply canceling the obligation of the funds appropriated for the units. Is there not a mechanism for the recapture and reuse of the units in the pipeline?

Mr. MYERS. There is certainly a mechanism for recapture but there is, at the present time, no provision for reuse of those units. I must point out that the assumption that we are looking for ways to recapture units that are appropriated by the Congress in and of itself is a false assumption.

We are looking at units in the pipeline that have been there for greater than 36 months. For some time now, the public housing authorities have had imposed on them a set of specific time requirements: 9 months to site approval; then up to 1 year from site approval to construction. During 1985 we plan to come out with a memo that parallels the public housing requirement, which means that the first units recaptured under that particular policy will not occur until next fiscal year.

Mr. TAYLOR. Well, you indicate that there is a mechanism for recapture but not for reuse.

Mr. MYERS. Correct.

Mr. TAYLOR. Has your Department proposed a reuse policy for Indian housing?

Mr. MYERS. Currently the administration is not proposing a reuse policy.

Mr. TAYLOR. Has the Department proposed one or developed a reuse policy?

Mr. MYERS. Yes. Yes, we have proposed in the past.

Mr. TAYLOR. Has that been presented to OMB for consideration?

Mr. MYERS. It was.

Mr. TAYLOR. But as of yet you do not have a reuse policy approved.

Mr. MYERS. Correct.

Mr. TAYLOR. Is it your opinion that legislation is needed to allow the recapture of units in the pipeline?

Mr. MYERS. Yes, it is my opinion that that is so.

Mr. TAYLOR. Has the Department developed any proposed legislation in this matter?

Mr. MYERS. No proposed legislation on that question is now being considered.

Mr. TAYLOR. Could you supply this committee with language that you would consider necessary in order to address this problem as a——

Mr. MYERS. We certainly have the capability, but this is a decision that will have to be made at higher levels within the Department.

Mr. TAYLOR. Well, as a general rule I believe agencies will prepare legislation at the request of a Senator. Whether they particularly support it or not is a different question.

Mr. MYERS. Yes.

Mr. **Taylor**. What is HUD doing to correct or resolve the problems that caused the units to remain in the pipeline for what seems an excessively long period of time?

Mr. **Myers**. What we are doing is basically streamlining the regulation. As you know, last year there was an effort to change the program drastically and to go to a block grant system. This was generally not a desirable course of action by the clientele or the beneficiaries of the program.

As a result of that, we have taken initial steps to reduce the burdensome requirements during the development process within HUD, and also to assist in what ways we can to encourage such other agencies as the Indian Health Service and the Bureau of Indian Affairs during their portion of the development projects to expedite their part of the process.

Mr. **Taylor**. One other question on this pipeline: In Alaska there are several projects that have been in the pipeline longer than 36 months. How does HUD propose to identify delays that are beyond the control of IHA's?

Mr. **Myers**. We already have that in process. What we have asked the Indian field offices to do is to provide not only the list of those projects which are older than 36 months, but also to analyze where the problem lies, whether it is with HUD, another Federal agency, or with the Indian Housing Authority.

Mr. **Taylor**. Turning to IHS water and sanitation questions, could you tell us how many parties are involved in the transfer of funds from HUD to IHS for water and sanitation to HUD units?

Mr. **Myers**. Let's see: HUD, the tribe, the Indian Health Service, and the Indian housing authority, but I would like to be able to provide a more responsive answer to that question.

Mr. **Taylor**. Fine. We would be very pleased to receive it. In fact, we will probably have some follow-up questions that we will submit to the agency.

Mr. **Myers**. Yes.

Mr. **Taylor**. I understand there are problems in this transfer process. Does HUD have any plans to change the method of transferring the funds to IHS?

Mr. **Myers**. We have opened initial discussions with IHS to enter into an agreement whereby we might be able to smooth that process out. Those discussions are preliminary in nature at this point, but yes, we are looking for ways to streamline that process.

Mr. **Taylor**. Perhaps when you submit the expansion of the prior answer you could let us know some idea of what proposals you are considering.

Mr. **Myers**. Yes, sir.

Mr. **Taylor**. One last question: How many Indian housing units are currently completed but lack water and sanitation?

Mr. **Myers**. To my knowledge, we have no such units.

Mr. **Taylor**. Could you check that and perhaps we will——

Mr. **Myers**. I will be happy to verify that, yes, sir.

Mr. **Taylor**. I think we would appreciate that.

Mr. **Myers**. Yes, sir.

Mr. **Taylor**. I have no further questions, so thank you very much for your time

Mr. **Myers**. Thank you. I am delighted to have this opportunity.

Mr. TAYLOR. I have next on our witness list Suzan Harjo from NCAI. I think she is running late, so if she is not here yet we will move on to the next.

Mr. Elmer Savilla, executive director of the National Tribal Chairmen's Association, is he here?

[No response.]

I gather not. Rick Lucero, president, American Indian Health Care Association, Dallas, TX. Rick?

STATEMENT OF RICK LUCERO, PRESIDENT, AMERICAN INDIAN HEALTH CARE ASSOCIATION

Mr. LUCERO. On behalf of the American Indian Health Care Association, I appreciate the opportunity to appear before you today to discuss the President's 1986 budget relative to title 5, urban Indian health care programs. As you know, for the last 4 years the administration has requested no funding for urban Indian Health care programs, and this continues to be the stance taken for fiscal year 1986. Once again the 37 urban Indian health care programs throughout the country are faced with an uphill battle to secure funding for our essential health program services. We appear before you today to request $11.5 million for fiscal year 1986. I will attempt to justify that figure in a moment.

According to the 1980 census, over 50 percent of the American Indian population now resides off-reservation or in urban communities across the Nation. A large percentage of that population was moved to urban areas as a result of the massive Federal relocation efforts of the 1950's. Other members of the urban Indian population have relocated from the reservations because they were looking for an improvement in their life. They wanted better education, better economic opportunities, and a better style of life for their families.

However, this population still maintains strong tribal ties with the various reservations that they have come from, and the vast majority also maintain their tribal affiliation. No act of Congress or no court decision has ever determined that their status as Indians terminates once they cross the reservation borders. In fact, Mr. Chairman, the Congress has stated that the Federal Government has a responsibility to provide health care to Indian people, including urban Indians, in the Health Care Improvement Act which is currently being considered for reauthorization. The members of the association take this congressional/Federal mandate very seriously, and we believe that the continuation of these title 5 programs is very, very critical to the future of Indian people living in urban areas.

The administration's position is that urban Indian health care programs are unnecessary because there are alternative sources of medical care for the patients that we serve. This committee, and in particular the chairman, have made repeated requests to the Department of Health and Human Services to furnish detailed information as to the actual nature of those alternative resources. To the best of our knowledge, no such information has ever been furnished. To be frank, it is beyond our understanding as to how the administration can continually take this position without any substantive data offered in its support. We, who run these 37 programs, know without any doubt that the alternative resources simply do not exist. In fact, those alternative resources that have been used by the administration to state that there is a duplication are also being slated for severe cuts in funding or complete elimination, which would then leave the urban Indian without any resources at all.

During the course of the effort to reauthorize the Indian Health Care Improvement Act, the association has presented numerous documented statements from other health care providers in communities having urban Indian health programs, which clearly show that these providers simply could not provide services to our Indian population. Statements from local medical associations, city and county health departments, and public and private hospitals confirm that urban Indian health programs are in no way duplicating services which are already available to the Indian population.

It should be noted here that all the urban Indian health programs have extensive linkages with other health care providers in the cities where they reside, and that these linkages are for the provision of certain services that we are not able to provide, given our limited funding. These resources come from dollars other than Indian Health Service. The urban programs also collect reimbursements for Medicaid and Medicare and from third-party insurers.

We also believe that health care is more than just a state of physical well-being, and that health care must take place not in a vacuum but where there is intensive, comprehensive, and sensitive cultural care provided to the Indian people. We believe that includes enhancing their social well-being and positive self-esteem in order for Indian people to be truly healthy. In the relocation efforts to the cities, Indian people have left their tribal reservations and oftentimes have found themselves legally disenfranchised, economically deprived, and educationally discriminated against. As a result, the often difficult transition from reservation living to urban living has been exacerbated for urban Indians. We believe that urban Indian health care programs are the safety net for urban Indians and that if you take that health care away, that they will have no place to go for their health care.

The funds that we are requesting today will provide an increase of 10.3 percent over the fiscal year 1985 appropriations. This increase is based on the level of health care inflation which, as you know, runs considerably higher than the general level of inflation. We are also requesting $700,000 to be utilized to address the deficiencies that we have identified that exist in our current programs. Since these programs have never had appropriated enough money to even keep up with health care inflation, no funds have ever been made available to allow these programs to meet their needs. Many programs have had to cut back services in the past 4 years because of the disparity between appropriation levels and needs.

As an example, I would like to take the Dallas Intertribal Center and look at its service population data from the years 1980 and 1984, and then look at the amount of money that we received during that period from Indian Health Services. In that period from 1980 to 1984, the amount of money from Indian Health Services increased by approximately 8 percent. In that same time period, the service case load of the Dallas Intertribal Center increased by 130 percent. That, I think, is a prime example of the disparity between appropriations level and identified need.

According to the data available from the Health Care Financing Administration, national health expenditures have increased at an annual percentage rate of 12.8 percent since 1972. Since 1978 the annual increases have been as follows: In 1978 it was 11.7 percent; in 1979 it was 13.2; in 1980 it was 15.3 percent; in 1981, 15.2; in 1982, 12.8; and in 1983 it was 10.3.

If these actual increases had been reflected in appropriation levels for these title 5 programs, the appropriation levels would have risen as follows:

Appropriation level and increase in national health expenditures	Actual appropriations	Shortfall
1978 $6,858,000		
1979 $6,858,000 plus 11.7 percent equals $7,660,386	$7,270,000	$390,386
1980 $7,660,386 plus 13.2 percent equals $8,671,557	8,000,000	671,557
1981 $8,671,557 plus 15.3 percent equals $9,998,305	8,900,000	1,098,305
1982 $9,998,305 plus 15.2 percent equals $11,518,047	8,160,000	3,358,047
1983 $11,518,047 plus 12.8 percent equals $12,992,357	6,000,000	6,992,357
1984 $12,992,357 plus 10.3 percent equals $14,330,569	9,000,000	5,330,569
1985 $14,330,565 plus 10.3 percent [1] equals $15,806,617	10,000,000	5,806,617
1986 $15,806,617 plus 10.3 percent [1] equals $17,434,698		

[1] Estimated.

Let it be said, however, that during the period from 1978 to 1983, urban Indian programs experienced a shortfall of $23.6 million in their buying power for health care services. It is not surprising, then, when one reviews the statistics on the health status of the American Indian people, that they still fall significantly below parity with the general population. Based on that figure, in 1985 the appropriations level for urban Indian health care should have been $17,434,698. As you can see, the level of funding that we are requesting today, which is the $11.5 million, comes nowhere near that level.

We must ask ourselves and the administration, when will that need be met? When will the infant mortality rate, which is still 11 percent higher than that of the general population for our children, come close to approaching the national average? When will the goal of bringing Indian health status to parity with the rest of the population be achieved?

Thanks to the support of many Members of Congress, those on this committee and others, the urban Indian health programs have continued to survive. The dollars available to support these programs, however, have never addressed the true need for health services. It has been almost impossible for programs to expand during the last 4 years. Of the 37 urban Indian health programs, 28 provide some form of direct health care. Most of these programs have provided ample documentation that demonstrates the need to provide more services and to treat more people. Many programs have had to turn away clients because of the lack of adequate resources.

It is important to note that while all clinics receive funding from other sources besides the Indian Health Service, these resources have also been severely impacted by the need to reduce Federal deficits. The urban programs have been able to document that these resources are extremely limited, where they exist at all.

No. 1. Unlike tribes and tribal organizations, urban Indian organizations are not eligible for direct funding under the Federal Block Grant Program.

No. 2. Changes in state Medicaid/Medicare policies via stricter eligibility criteria, demand for copayment, deductibles that must be met before care is reimbursed, and ceilings on reimbursement severely limit Indian participation. As a result of these changes, some of the larger projects will sustain a 30 percent to 40 percent decrease in Medicaid revenue.

No. 3. Many metropolitan systems refuse to provide health care to Indian patients, believing they are a Federal responsibility.

I would like to add that many of these alternative resources also are experiencing an increase in case load at a time when their budgets are dwindling, so for them to be able to pick up our Indian population would be nearly impossible.

As the chairman of this committee noted, you cannot solve the Federal deficit by eliminating critically-needed health programs. Without these programs there is no safety net, as I indicated earlier, for urban Indians.

We have also gone on record repeatedly as requesting accountability. Implementation of a standardized reporting system would make a significant contribution toward this accountability, yet over the years Indian Health Service, while it has completed numerous evaluations and had numerous recommendations submitted to it, has not allowed us to have a uniform data reporting system. We ask that this concern be confirmed and that there be an effort made to ensure that title 5 programs will have a uniform national data system that will allow them to report factual and accurate information on to IHS and to other parties.

In the same vein, we also have deficiencies that have been identified in a number of the evaluations, yet each year the Indian Health Service has not earmarked any funds or assisted with any planning to help us address those deficiencies. As a result, we have had to take it upon ourselves, as an association, to begin to address some of those concerns ourselves. However, Indian Health Service has, we believe, a responsibility to assist our programs in addressing these deficiencies and providing the technical assistance and the administrative support necessary. We are fatigued with the feeling that we are stepsisters or stepbrothers to Indian Health Service. We believe that our title 5 program, just as the reservation CHR programs, deserve specific supportive and timely assistance from Indian Health Service.

Clearly, then, the need for Indian Health Service care in urban areas will not go away because this current administration wishes it to. In fact, we need to have the additional funding requested. Indian people are very mobile. They move from the reservation to the urban areas and back. Our health care in the urban areas reflects very accurately and is a mirror of the health care of the people on the reservation. To ignore the urban Indian population is to abandon the national goal established in the Indian Health Care Improvement Act. That was "providing the highest possible health status to Indian people." The American Indian Health Care Association and the 37 health programs it represents have struggled for 4 long years to survive and maintain the existing services. We ask you for renewed commitment to this national goal, and that you appropriate $11.5 million for the urban Indian health care programs.

Thank you.

Mr. TAYLOR. Mr. Lucero, I just have two or three questions.

Does the Dallas Indian Health Care Association provide direct services to Indians?

Mr. LUCERO. Yes, sir, it does. The Dallas Intertribal Center has a full-time physician and two full-time dentists that provide medical and dental services. Last year we documented 66,000 service encounters.

Mr. TAYLOR. The reason I asked that is, in terms of examining increases in appropriations that should be granted, there are different inflation factors for the medical profession as opposed to other areas.

Mr. LUCERO. Exactly.

Mr. TAYLOR. Have the urban Indian health care programs received their full allocation of funds for fiscal year 1985?

Mr. LUCERO. No, sir, they have not. They received an initial 4 percent of the overall 8-percent increase in November. That is another problem we continue to experience with Indian Health Service. The Congress appropriates the money but then Indian Health Service takes its own sweet time in distributing that money. Currently, the American Indian Health Care Association has a recommendation before Indian Health Service to distribute the remainder of the 1985 appropriations based on service performance data. This recommendation, if approved, would be a milestone for Indian Health Service. In the past Indian Health Service has used arbitrary formulas for the allocation of the funds to the title 5 programs. We believe that this manner of appropriation has not addressed the health care needs of the various Indian populations, and that a national appropriation methodology must be developed.

Mr. TAYLOR. I think you answered the second phase of this question. I have no further questions. I think it is excellent testimony and we thank you very much for coming.

Mr. LUCERO. Thank you.

Mr. TAYLOR. I propose to take the witnesses slightly out of order. We have two other witnesses that will be touching on the medical field or health care field, so I would like next to call Caroline Martin of the Alaska Native Health Board in Juneau, AK. Perhaps at the same time we could call Suzan Harjo from NCAI, the executive director, who will speak on behalf of the National Congress of American Indians as well as the National Indian Health Board.

Is Caroline here?

Ms. HARJO. Perhaps, then, we could proceed and she could join us. I think someone went to find her in the hallway.

Mr. TAYLOR. Please proceed.

STATEMENT OF SUZAN SHOWN HARJO, EXECUTIVE DIRECTOR, NATIONAL CONGRESS OF AMERICAN INDIANS, ALSO IN BEHALF OF THE NATIONAL INDIAN HEALTH BOARD, ACCOMPANIED BY KAREN FUNK, POLICY AND BUDGET ANALYST, NATIONAL CONGRESS OF AMERICAN INDIANS

Ms. HARJO. Thank you for having us here. To my right is Karen Funk, who has recently joined NCAI as our policy and budget analyst. She has prepared this testimony.

I would like to point out that the Indian Health Board is joining us in the health portion of this testimony only, not that they have disagreement with any other portion, but they felt that other areas were not within their purview. I will ask Karen to address the health-specific portions of the testimony.

I would like to just do an overview here. We have seen this basic Federal Indian budget before—about four times before—with all the Draconian cuts proposed in the critical areas of health and housing, education, legal services, and so forth. In Johnson-O'Malley, we find an interesting cut. Mostly the Bureau of Indian Affairs programs have stayed at level, and we think they are all right as far as fairness in funding. That is, they have not suffered terrible cuts. They will have an impact because a lot of the programs are at bare bones and will not be able to absorb the inflationary impact, and we will know only in its implementation what problems they will suffer.

The Johnson-O'Malley program is a very big exception. The Johnson-O'Malley Program, as you may have heard before today, has been reduced to zero. I understand that the thinking was that Indian people could lobby JOM back and it would count on the congressional side of the ledger, rather than on the administration side, and I think that is an unfair game to play and an unfair position to force Indian people into. That is, if we do not spend quite a lot of money outside that program area in order to support the program, then we can not get it added back. I do not think that is the kind of spirit that the administration should approach our programs with.

The best justification for the Johnson-O'Malley program is in the BIA's justification for the program last year. It talks about the program in stellar terms, saying what it does, what it hopes to accomplish, and how the Bureau's school staffs state that "the most serious problem they face is the insufficiency of parental interest and involvement in the education of their children. Bureau staff are aggressively encouraging parents to become involved." It is really fascinating. I do not know what happened between last year and this year, and how it is that the program suddenly became a less than desirable child. Last year it was top of the line, and now it is not worthy of being funded at all. We, of course, urge that it be funded at least at its level of last year.

We also support the testimony given by the American Indian Higher Education Consortium, concerning the budget for the 18 tribally controlled community colleges. There has been some creativity in the FTE count up here on the Hill and in the administration, and we would urge that everyone be a little less creative and a little more factual in looking at this problem, and fund this category at its logical level.

There have also been for years now, at least 5 years in my experience, fun and games played with the graduate-level scholarship programs. There has been I hope, a benevolent bias against these two scholarship programs within the BIA. I hope that this would stop. We are proposing that funds be specifically earmarked for the Graduate Student Grant Program and the Indian Law Program, in order to direct the BIA to maintain those programs at level, at least.

In the area of water policy we are very concerned that the BIA justification once again attempts to force Indian tribes into a box canyon of negotiation. This is not the American system of law. If tribes need water resources, inventories and studies—and we know they do—then they should have them, irrespective of their posture to litigate or to negotiate. The $2 million figure we think is a positive step forward. We do not think it meets the need.

I would ask the committee to ask the administration what the tribes have requested in the way of water inventories and water studies, because three tribes I am familiar with who have requested inventories have requested money in excess of $2 million, and I daresay that more than three tribes have requested money in this area for water studies and inventories. If the Federal Government is going to be a land and resources manager, then it should be a good one and it should allocate resources for that purpose. I would hope that language would be put in—as it has been for the past 3 years—directing the Interior Department to fund this category, irrespective of litigation or negotiation posture.

I will skip the health portion for the moment and go to page 16 of our prepared testimony regarding FmHA credit. The Indian farmers are at the bottom of the long line of people in this country who need farm and ranch assistance, agricultural assistance. We are very concerned at the general cuts that have been proposed, as well as with the compromise proposal. Our problem in USDA is as much administrative as it is an appropriations problem, and we would urge some directive language to the USDA that lifts the level of the Indian agricultural issues priority to above that of ground zero.

The HUD housing—I am sorry I was not here earlier for the housing justification. I am sure it would have been innovative. The proposal to eliminate HUD housing construction and to reduce by $6 million the BIA housing improvement program is a disaster. We all know that Indian people need housing far more than any other people in this country because ours are in the worst condition and we have the greatest need for actual houses, as well as for sewage and sanitation systems which are continually being zeroed out. Not so in this budget, and we are surprised and gratified.

We are concerned about the Small Business Administration and the fact that it has been proposed for zero, along with the revenue sharing program. The revenue sharing and small business programs have recently seen Indian involvement in them and, like a lot of programs outside the BIA, once Indian tribes are admitted to programs of general applicability and begin to utilize them and begin to depend on them, then they are wiped out. We hope that this is not going to be the case and that, once they are reinstated—SBA and revenue sharing specifically—the Indian programs will not be eliminated in the way they have been in EDA. The EDA budget, of course, no longer admits Indian programs and it is very difficult for Indian tribes to receive grants from EDA.

I will conclude with the Legal Services portion of our budget testimony. What we find in the administration's budget is a zeroing out of all legal services. In the Corporation's actual budget there is an internal proposal to cut 21 percent of the Indian legal services programs and also the Indian Law Support Center Library, upon which depend most of the Indian lawyers who are in the field. The Indian Legal Services lawyers do not have access to an Indian law library, most of the time, and this offers the only legal base for them to go to. It has served a valuable purpose for all the Indian law programs throughout the country. The 21 percent for Indian Legal Services programs could not be sustained by some programs, which are now down to two and a half people, one and a half people, one-half of a person.

We have submitted as an attachment the testimony of Mary Trimble-Norris of California Indian Legal Services, who testified, along with myself, before the Audit and Appropriation Committee of the Corporation board, that discretion can be used within the Corporation, and should be used, to reinstate the Indian programs and not have them cut by this 21 percent. What we would like to ask further is that funds be specifically earmarked for the Indian Legal Services Program and for the Indian Law Support Center by Congress, so that there will be no confusion within the Corporation as to the purposes of these moneys.

While we are waiting for Karen to return, perhaps our colleague here could give some good words about the Indian health budget.

[The prepared statement follows. Testimony resumes on p. 71.]

PREPARED STATEMENT OF THE NATIONAL INDIAN HEALTH BOARD AND THE NATIONAL CONGRESS OF AMERICAN INDIANS SUBMITTED BY SUSAN SHOWN HARJO, EXECUTIVE DIRECTOR OF THE NATIONAL CONGRESS OF AMERICAN INDIANS

I am Suzan Shown Harjo. I am Cheyenne and Creek, and serve as Executive Director of the National Congress of American Indians. On behalf of the membership of the National Indian Health Board and the National Congress of American Indians, I wish to thank the Committee for this opportunity to present our views on the Administrations' proposed FY 1986 budget for the National Congress of American Indians. The National Indian Health Board, a non-profit organization based in Denver, Colorado is composed of 12 representatives elected by their respective area health boards or inter-tribal organizations in each of the 12 IHS geographically-defined service areas. The National Congress of American Indians is the nation's oldest and largest Indian organization. Our two organizations have worked closely together over the years, primarily through the NCAI Health Committee, to address the health care issues affecting American Indians and Alaska Natives.

The Bureau of Indian Affairs budget proposal, with a few exceptions, would maintain programs at their FY '85 appropriations levels. While we could certainly justify increases in many areas, we are nevertheless relieved that most programs are not slated for funding reductions.

JOHNSON O'MALLEY PROGRAM

A very big exception to level funding, however, is the Johnson O'Malley (JO'M) program which the Administration proposes to eliminate. The JO'M program serves 180,000 Indian students of one quarter or more Indian blood who attend public schools. Ironically, the BIA, via its attendance boundaries, is encouraging Indian students to attend public schools at the same time it proposes to end the JO'M program and reduce impact aid.

The administration's proposals on Indian education are curious to say the least - earlier in this Administration draconian cuts were proposed in the impact aid program. When that was not successful similar proposals were made to eliminate Title IV, the Indian

Education Act. Congress did not go along with that either. And now we are coming before Congress again to respond to yet another proposal to ax an Indian education program.

The Administration, in its budget justification on JO'M, cites duplication of services by impact aid, Chapter 1, Title IV, JO'M and Head Start programs. In fact, these programs, as the Administration knows well, serve different purposes, and in some cases, different clientele. Even the GAO report HRD-81 101 concluded that JO'M does not duplicate other programs. The report is entitled, Local Coordination Prevents Duplication Services at Federally Sponsored Indian Education Projects. Of the 30 JO'M programs studied, 26 had no duplications. The other six (6) carried out some functions that other programs did, but only because they were unable to serve all the students. The several auditors reports cited which listed "inappropriate" or "questionable" expenditures are merely one persons' opinion on how JO'M monies should be spent. These auditors are not school board members, not tribal members, not Indians, and not educators. The whole point of the JO'M program is that the program is contracted by the tribes and locally controlled. This is supposedly what the Administration advocates in education.

Ironically, the BIA, in its FY '85 budget justification, has praise for the Johnson O'Malley program. The BIA lists some of the good services offered by JOM including "remedial tutoring, home school coordinators, teacher aides, early childhood programs, summer education and activity programs, educational field trips, gifted and talented programs and parental costs (including school lunch costs". Then the Bureau goes on to say about JOM: "This program is successful not only in meeting the special needs of students, but it also promotes cooperative relationships between Indian communities and school systems which serve to enhance parental involvement in the education of their children." We would point out that the BIA, in its FY '86 budget justification notes that "Bureau school staffs state that the most serious problem they face is the insufficiency of parental interest and involvement in the education of their children. Bureau staff are aggressively encouraging parents to become involved." Yet, the Bureau is simultaneously proposing to eliminate the very program which they say enhances parental involvement in education.

The JO'M program, because of its Indian control and strong parental involvement, is ideally situated to see the gaps in the school systems, and try to do something about them. For instance, the Head Start program cannot serve all children who need pre-school education. This summer the JO'M program at the Pine Ridge Reservation will provide an eight (8) week summer program for 1,000 pre-school children. It will be a program designed to help give necessary skills for beginning school. Another lack on many reservations is summer recreation programs for youth. In some instances, JO'M boards have chosen to use JO'M monies for summer programs, an activity which, among other things, is helpful in preventing alcohol and drug abuse. In both our organizations work on alcohol and drug abuse, one recommendation repeatedly heard is that there be summer youth programs on reservations where there is now very little for young people to do.

Tribal Colleges

We strongly support the testimony given at these hearings by the American Indian Higher Education Consortium regarding the budget for the 18 tribally controlled community colleges.

The appropriations for the Tribally Controlled Community Colleges has declined every year since 1981. The appropriation (without an inflation factor) has declined 20% while the number of students has increased 67%. They have gone from a per student (FTE) funding level of $3,100 in FY 1981 to $2,812 in FY '83 to $2,507 in FY '84. The projected FTE expenditure for the current year is $2,396. The Bureau's proposed FY '86 budget would continue this downward slide. We would point out that the Bureau has used low estimates for the past two years regarding the number of students at the colleges, and it appears they have done the same for this year. The Bureau has estimated a FY '85 Indian Student Count (ISC) of 3,278, while the colleges project a ISC of 3,540.

The success of the tribal colleges is both short term and long term. The colleges are developing curriculum and providing education and training that cannot be duplicated by non-Indian, non-reservation institutions. One very telling fact is that at ages 16-17 Indian people are more than twice as likely to NOT be enrolled in school as the rest of the 16-17 year old population. But at ages 24-35 Indian people are enrolled in colleges at the SAME percentage as the rest of the U.S. population. This has been a development of the past 10 years. The tribal colleges are also a development of the past 10 years. The reason Indian people are now attending college in numbers proportionate to the non-Indian population is the presence of these reservation-based colleges and the quality education they provide.

We support the tribal colleges' request for $10.6 million in FY '86. This would provide a $3,000/FTE, and bring the schools back near the per student funding level they had in 1981.

Graduate Scholarship Programs

We would, at the same time, like to express our strong support for the two graduate student scholarship programs under the BIA's authority, the Graduate Student Grant Program and the Indian Law Program. These programs are proposed to be funded in FY '86 at the FY '85 appropriation levels of $958,000 for the Graduate Student Grant Program and $1,092,000 for the Indian Law Program. More graduate education is needed if Indian tribes and Alaska

Native groups are ever to obtain the trained professionals needed to develop their local economies and obtain self-sufficiency. With the increase in the number of Indian students now obtaining undergraduate degrees, these graduate programs have all the more potential, but only if they are sufficiently funded. We believe that additional funding for graduate scholarships for Indian students would be a good investment.

Water Policy Implementation

Congress has, for the past several years, added money to the Administration's request for water policy implementation. We are pleased to see that this year the Administration has requested $2 million over the FY '85 appropriation for a total of $9.27 million. The money is to be used for assisting tribes in preparing inventories of available water resources, of existing water uses and of future water needs and development possibilities. Without this type of information tribes will not be in a good position to advocate for their water rights.

We are, however, concerned about the BIA budget justification language regarding the Secretary's priority on negotiated water settlements. The Secretary assumes that all tribes with water claims are intent on negotiating their water rights. This is not the case, and we believe that no tribe should be pressured to quantify water, but that the decision to quantify or not should be optional.

INDIAN HEALTH SERVICE

With regard to the Indian Health Service, the Administration is once again seeking through its budget request to reverse the improvements achieved in Indian health care over the past 20 years. For the fifth year in a row the Administration is calling for reductions in clinical and preventive care; the elimination of critical programs for Community Health Representatives, Tribal Management, Urban Indian Health; and a halt to the construction of hospitals, outpatient clinics, and sanitation facilities. Acceptance of these recommendations would deprive Indian people of desparately-needed primary and preventive health services, resulting in increased mortality and morbidity in Indian communities. We deeply appreciate the efforts of the Congress and this Committee in preventing the Administration's proposed dismantling of these programs.

Before turning to several specific items in the Administration's FY 1986 budget request, we wish to first note a potentially serious development in the IHS' current year budget. The Administration is requiring federal agencies to "absorb" the FY 1985 Pay Act costs in their base budgets rather than requesting such increases to be provided through a supplemental appropriation. The Indian Health Service simply cannot afford this reduction in FY 1985; the agency would have to take drastic measures to account for the $9.6 million needed to cover these costs. In the Bemidji area, for example, it is projected that some health facilities might be forced to close if supplemental funds are not forthcoming by the end of the fiscal year. We request that the Committee closely monitor this situation and take whatever action necessary to protect against a FY 1985 budget shortfall that would curtail health services to Indian people.

Overview: Clinical Care and Preventive Care

The Administration's FY 1986 budget request for Indian health represents a direct repudiation of the goals contained in the Indian Health Care Improvement Act of 1976 (P.L. 94-437), goals which were reaffirmed by Congress in last year's passage of S. 2166, the Indian Health Care Amendments of 1984 (subsequently vetoed by the President October 19). As recognized by the Congress, the health care status of Indian people remains substantially below that of the general population. Despite the progress made in the last seven years under P.L. 94-437, Indian infant mortality remains 11 percent higher than the non-Indian population; death from tuberculosis is six times higher among Indians than non-Indians; Indians also suffer from a much higher incidence of poor nutrition, diabetes, hypertension, pneumonia, and influenza than all other Americans. While the Congress fully intended to address these and other health care problems affecting the Native American population and to raise the health care status of Indian people to a level equal to that of the rest of the nation, the Administration appears intent on reducing the Indian health program to a system of limited, reservation-based clinics incapable of delivering high quality care.

Although the Administration's budget justification contains repeated references to an "overall freeze policy" the impact of its recommendations would be a reduction in services for every program of the Indian Health Service. The total request is nearly $300 million less than the amount identified by IHS as ncessary for providing a slightly expanded level of services in FY 1986 (see attached table for detailed summary of IHS' original request). Assuming even the most conservative medical cost inflation rates of 6-7 percent rejected by the Administration in FY 1986, an increase of $40-$50 million is needed in clinical activities just to continue existing services.

Even the clinical activities where the Administration has recommended slight increases, for FY 1986, the net effect will be a reduction in services since the proposed increases will be used primarily for pay increases, within grade promotions, and other built-in increases. As a result, every clinical program will be forced to cut services. Among the projected program reductions that will be brought about by the Administration's request are the following:

- Hospitals and Health Clinics: A decrease of $10.7 million will result in the elimination of the CHR/EMS program and a reduction of services in inpatient care, ambulatory care, tribal contracts, optometry, social services, patient transportation, and facility maintenance. This action will have a negative effect on both the quality and quantity of health services provided to Indian people.

- Dental Care: A program decrease of $315,000 will result in a loss of approximately 8,000 basic clinical services to an estimated 1,000 patients.

- Alcoholism: A $1.2 million program decrease will result in a one percent reduction to all 200 Indian alcoholism project in the areas of clinical, preventive, counseling, and intervention services.

- Contract Care: The $1.9 million increase will be insufficient to cover medical inflation costs resulting in decreases of 685 hospital admissions; 3,285 inpatient days; 1,000 ambulatory visits, and 1,000 dental visits.

In the area of preventive care, which IHS has identified as one of its most important objectives in FY 1985 and FY 1986, the Administration has requested a 40.5 percent decrease. Reductions in the preventive health categories (excluding community health representatives) include:

- Sanitation: A decrease of $412,000 will result in a loss of 13,500 Environmental Health Services, including services for water and sewer systems, insect and rodent control, and community injury control.
- Public Health Nursing: A program decrease of $372,000 will cause the reduction of 4,300 PHN services, primarily in the area of maternal and child care, including neonatal followup and prevention of infectious diseases in infants and children.
- Health Education: A program decrease of $115,000 will lead to a reduction of about 9,000 health education services.

In addition to these program reductions, the Administration's proposed budget calls for $10 million in Medicare/Medicaid collections to be used to offset mandatory cost increases in FY 1986. This request disregards the original intent of these collections; as specified in Title IV of P.L. 94-437, these reimbursements are restricted to maintainin the quality of IHS facilities and services at accredited levels. Implementaion of this recommendation will jeopardize the future accreditation of some IHS facilities, which, in turn, would reduct future collections of Medicare, Medicaid and other third party funds.

Clearly, the Administration's budget request poses a serious threat to the lives of every Indian man, woman, and child that depends on the Indian health program as their primary souce of care.

We urge the Committee to continue its efforts to address the tremendous unmet health care needs of Indian people by supporting the resources necessary to deliver quality care to all Native Americans.

Community Health Representatives

One of the most distressing aspects of the Administration's budget proposal is its attempt, once again, to end the Community Health Representative program. Time and again the IHS medical community has insisted that the CHR's are an irreplaceable part of the Indian health care delivery system. Nevertheless, the Administration has proposed to eliminate the program "in an effort to focus scarce federal resources on maintaining key inpatient and outpatient medical care services."

As noted in the Administration's budget justification, an estimated 1,500 CHR's will provide approximately 1.96 million health care services in FY 85 in the areas of general health care, dental health, gerontological care, maternal and child care, mental health and environmental health. We cannot understand the Administration's reasoning that the health care services rendered by this skilled cadre of tribal health professionals fails to qualify as "key inpatient and outpatient medical care services." The CHR's are invaluable to Indian communities, particularly in their ability to provide outreach and home health services to many rural reservation families. The CHR program, which employs indigenous, well-trained tribal health providers, has been used as a model for the provision of community-oriented primary care services in developing countries, and should be encouraged and supported.

In addition to its considerable accomplishments in the delivery of health services, the CHR program has, at the request of congressional committees, undergone several major changes to strengthen its management and accountability. For example, a national CHR program office was created last year; standard contract guidelines have been developed; and an automated reporting system is scheduled to be put in place this summer.

We urge the continued funding of the CHR program of at least the present $29.5 million (approximately $4 million is included in the IHS' Hospital and Clinic activity to provide for the Emergency Medical portion of the CHR program), and an additional $5 million increase to provide a modest cost of living adjustment for these dedicated health practitioners.

Tribal Management

In its FY 1986 budget justification, the Administration states that one of three broad initiatives for strengthening the overall IHS program is in the area of "self-determination activities." Despite this commitment, the Administration proposes the elimination of the Tribal Management program, which has such potential for an important role in assisting tribes to plan and contract for health programs under authority of the Indian Self-Determination and Education Assistance Act (P.L. 93-638).

We view the Administration's proposed elimination of the Tribal Management budget activity as a blatant contradiction of IHS' objective of promoting Indian self-determination, and we strenuously oppose this recommendation. We also disagree with the Administration's assertion that, without Tribal Management funding, IHS will be able to provide technical assistance when requested by tribal management. On the contrary, many tribal requests for training and technical assistance are not being met under current IHS funding and staffing levels, as indicated during NIHB's field research for preparation of last year's publication, "Evaluation Report: The Indian Health Service's Implementation of the Indian Self-Determination Process" (April, 1984). (It should be noted that NIHB's study focused only on IHS areas considered to be relatively "successful" in their implementation of P.L. 93-638; even in these areas tribes frequently cited the need for additional assistance in contracting and management matters.) Given the personnel reductions and other budgetary constraints projected as a result of the Administration's FY 1986 budget request, we believe that the absence of the Tribal Management program would render IHS totally incapable of responding to the self-determination needs of tribes.

As noted in the Administration's justification, tribes have indicated a need of approximately $12 million to meet Tribal Management funding requirements. Since nearly all tribes who wish to manage part or all of IHS-operated health programs need preparatory development of their management capabilities, authority for this development is provided by P.L. 93-638, primarily under section 104(b) grants. Tribal Management funds provide the resources to support these activities, which include feasibility studies to assist tribes in determining whether to contract for an IHS facility or program; training on standards of the Joint Commission on Accreditation of Hospitals, so that tribes can increase collections from Medicare, Medicaid, and third-party resources; analysis of data collections from Medicare, Medicaid, and third-party resources; analysis of data collection systems; program audits, and other projects designed to enable tribes to improve their management capabilities.

Past funding for Tribal Management has barely scratched the surface of these needs; we therefore ask the Committee to support the continuation of this program and expand the $2.45 million provided in FY 1985 to at least $6 million in order to realistically address tribal management and development requirements. We also support the evaluation of the Tribal Management program called for in the FY 1986 budget justification. However, we request that funding for this evaluation be specifically identified by the Committee, in order to ensure that such funds are not taken from limited program resources.

Indirect Costs/Tribal Specific Health Planning

In addition to the Tribal Management program, two other activities are crucial to improving tribal involvement in the health care system: funding for indirect costs associated with P.L. 93-638 contracts, and tribal specific health planning.

We appreciate the Administration's recognition of the indirect cost issue. Over the past year the problem of indirect costs has been a serious impediment in the negotiation and administration of several IHS P.L. 93-638 contracts, including contracts for hospitals negotiated with the Mississippi Choctaw Tribe, the Oklahoma Choctaw, and the Southeast Alaska Regional Corporation. Indirect costs include administrative and support costs that are incurred by tribes and tribal organizations but cannot be funded by the existing IHS budgets; examples of such costs include liability insurance, audits, tribal management and financial systems, and employee benefits.

We view indirect costs as a necessary element of the current P.L. 93-638 contracting process, and we support the creation of a separate budget line item for this activity. However, we are concerned that the $5 million proposed by the Administration will be insufficient, and we believe that the amount required to adequately address tribal indirect costs in FY 1986 is in the range of $10-$12 million.

We are also concerned that funds used for indirect costs, as specified in the Administration's budget justification, will be taken from other clinical or preventive health categories and lead to a further reduction in health services to Indian people. We ask that the Committee support the establishment of a separate indirect cost line item, preferably within the Clinical Services budget, as a supplement to the FY 1986 budget, and that such funds be made a part of the recurring IHS base.

Another important acitivity with regard to promoting self-determination activities is increased tribal involvement in health planning. We are pleased that IHS intends, as stated in the FY 1986 budget justification, to emphasize the Tribal Specific Health Planning (TSHP) process. This process, if properly implemented, could afford tribes an excellent opportunity for meaningful participation in the Indian health program. It would also better enable tribes to deal with difficult health policy matters--such as P.L. 93-638 contracting, eligibility, resource allocation, and health care priorities--which have become increasingly important due to budgetary constraints.

However, in order for this process to work, it is imperative that tribes be involved in an ongoing planning effort and that they be granted adequate time and resources to participate. Contrary to IHS' assertion that it "has and continues to involve the tribes in resource planning and allocation methodology to reflect tribal concerns," we believe that tribes have not been able to take part in these important activities. "Involvement" and "consultation" must be seen as something more than last-minute requests for comments (as exemplified by an IHS memorandum last Fall setting tribal response on prepared changes for TSHP's and the resource requirement methodology). It is our hope that IHS is sincere in its commitment to improve tribal participation in these planning processes, and we ask that the Committee support this important objective.

Urban Health

For the fifth consecutive year, the Administration is seeking to eliminate the urban Indian health program on the basis that "the off reservation Indians are eligible for alternative health care resources such as Medicare/Medicaid, community health centers, the National Health Service Corps, State or local health care programs supported by federal health block grants and State and local funding agencies."

Yet, as the Congress determined during passage of Title V of P.L. 94-437, and reaffirmed during consideration of last year's Indian health reauthorization bill, urban Indians in fact do not have adequate access to alternative health resources. And, with every single "alternative health care resource" identified in the Administration's justification also slated for severe cuts or outright elimination, there would be even less likelihood of urban Indians obtaining proper medical treatment from such sources.

As reflected in the 1980 Census, more than half the American Indian population now resides in urban areas; in many cases they are there as a result of the federal government's past relocation policies. More than 300,000 urban Indians are served by 37 Indian health projects in cities across the country. In providing a wide range of clinical, outreach and referral services to their patients, these urban projects have over the years become a vital component of the Indian health program. Without them, many Indian people would return to reservation clinics that are already overutilized and understaffed; in other instances, the health problems of urban Indians would go untreated.

The Urban Indian health program has proven to be a remarkably cost effective means of delivering health services. In FY 1983, a total of 537,157 services were provided in urban Indian health projects at a cost of $28.70 per encounter (with only about half this amount coming Title V funding, and the balance from non-IHS resources). Over the past five years, services at urban Indian health projects have increased 43 percent compared to an 11 percent increase in total funding.

We commend the success of the urban Indian health program, and we support the American Indian Health Care Association in its request for $11 million for continuation of the program in FY 1986.

IHS Construction Activities

Facilities Construction

We are deeply concerned that this Administration continues to neglect planning, construction and maintenance of its Indian health facilities. As in years past, the Administration has decided not to seek IHS construction funds in FY 1986. It has also proposed to merge the "Indian Health Facilities" and "Health Services" authorizations. At present, the Health Services budget is a one year fund, whereas the Facilities budget is available until expended. If a combined budget classification as recommended by the Administration became one year money and construction projects became delayed (as often happens due to forces beyond IHS control), the funds would be lost and perhaps not reappropriated in later years. We oppose this merger and request that this Committee support continuation of a separate budget authority for IHS construction activities.

We also wish to comment on the report regarding the design approval process requested by the House Interior Appropriations Committee. The Department was asked to examine ways in which the process can be streamlined and disagreements resolved in a more timely manner. We understand that the review basically revealed in two major issues that have adversely affected the design approval process.

First of all, the current review and approval system for development of the Program Information Documents (PIDs) is unnecessarily inefficient and lengthy. According to current policy, PIDs must be reviewed, approved, and/or certified by five distinct offices in DHHS with final review and approval by a "Facilities Review Board" chaired by the Assistant Secretary for Health. Questions or issues that have been resolved during PID development are raised again and again at higher approval levels. We believe that project review and approval time can be reduced by replacing the Facilities Review Board with a multi-disciplinary committee that has the authority to review and approve all PIDs.

Secondly, some IHS standards, criteria, and planning methodologies appear to have been questioned, again at higher approval levels. It is imperative to an effective and efficient PID development and approval process to have standards, criteria, and planning methodologies that are both professionally and/or medically accepted on a national level as well as responsive to the unique needs of the local health care delivery system. (We have stated time and again that it is critical that tribal health entities have an opportunity to be involved in planning and review of such criteria.) Although IHS's standards, criteria, and planning methodologies have been developed and periodically updated in concert with nationally recognized professional, clinical, and accrediting bodies, some standards and/or methodologies are questioned or disregarded by the reviewers. We recommend that the IHS standards, criteria, and planning methodologies be accepted at all review levels. If necessary a contract with an experienced health care planning firm should be developed to review, update and make such criteria acceptable.

We wish to make one additional suggestion for avoiding some of the delays often encountered in the design approval process. After receiving the certification or approval of the top facility construction needs from its Priority System Committee, the IHS initiates an intensive program planning process. Prior to development of the PID the following data is gathered and submitted to PHS a year in advance: information relevant to existing health care delivery system patterns and conditions; availability and accessibility of alternative resources; existing and projected workloads; population to be served; program deficiencies; staffing requirements; alternative sites and conditions of those sites; contract care analysis; and other information necessary to evaluate and determine the requirements for a health care delivery system. We strongly recommend that IHS be provided immediate feedback regarding a facility (including any perceived problems) when such preliminary information is received rather than having to wait until it submits the full PID as now occurs.

The Administration's FY 1986 justification states that its decision not to request funds for construction of health care facilities was based partially on the ". . . large unobligated balances in this account." We wish to point out that of the $97.77 million for health facilities available for obligation in FY 1985, IHS expects to obligate some $77.33 million, or the vast majority of that amount, by the end of the fiscal year.

At the behest of Congress, IHS developed a construction priority system which, when applied to the IHS health facilities unmet needs, allows the ranking of facilities for replacement or new construction in order of priority. This system has provided Congress with an objective, rational approach to the construction of health facilities on Indian reservations. We deeply appreciate this Committee's past efforts to adhere to the priority ranking system and respectfully request that funding be allocated in accordance with this list in FY 1986 to the following projects:

a. Hospitals - For Phase I construction and purchase of long lead equipment for the hospitals at Sacaton, AZ. ($12,466,000), Rosebud, S.D. ($10,471,000) and Pine Ridge, S.D. ($5,200,000) and for additional design funds for a hospital at Wagner, S.D. ($800,000). Notable by its absence from this list is additional planning money for a hospital at Anchorage, AK. We understand that $2 million was appropriated in FY 1984 to plan for a replacement hospital there and it is anticipated that a portion of these funds will be utilized in FY 1985 to obtain outside assistance in completing a program information document for this very large project. Nonetheless, we are told by IHS that while an additional $4 million in planning money will eventually be required such an amount could not be obligated in FY 1986. We support the testimony of the Alaska Native Health Board seeking necessary funding to complete planning and design of the Anchorage hospital.

b. Modernization and Repair - The total backlog of essential maintenance and repairs (BEMAR) to Indian health facilities currently amounts to some $60 million. A reasonable approach to eliminate a portion of this backlog would be to fund approximately the top two projects from each IHS area/program office ($16,571,000). We also urge the Committee to support funding for the 27 energy conservation retrofit projects identified by a survey of changes necessary to conserve energy in existing facilities ($6,190,000).

c. Outpatient Facilities - For planning of clinics at: Toppenish, WA. ($688,000), Parker, AZ. ($474,000), and Ft. Hall, ID. ($507,000).

d. Personal Quarters - For design, construction and renovation of 12 new and 8 existing quarters at Sacaton, AZ. ($1,300,000), design and construction of 34 units at Kanakanak, AK. ($5,541,000), and for design and construction of 22 units at Kyle, S.D. ($2,090,000).

Sanitation Facilities

Much of the improvement in Indian health care over the past 20 years is a direct result of the IHS sanitation program which provides water supply, sewage disposal, and solid waste disposal for Indian homes and communities. Yet, as the Administration's own budget justification states, "the scarcity of safe water supplies and the lack of adequate facilities for the disposal of human and household wastes still prevail in Indian country. The lack of these facilities contributes to the spead of micro-organisms responsible for diarrhea and dysentery, to insect and rodent infestations in both Indian homes and communities, and to the contamination of food and water supplies."

Despite the efforts of the IHS sanitation program, in excess of 23,000 Indian homes lack adequate water and sewage facilities. In order to begin addressing this tremendous unmet need, which totals more than a half billion dollars we ask that a minimum of $30 million be provided in FY 1986 for sanitation facilities in existing Indian homes and facilities. In addition we anticipate that approximately 2,900 new non-HUD Indian homes will need water and sewer hookups in FY 1986, requiring approximately $24 million to provide these facilities.

Finally, we wish to express our continued concern with the inter-agency agreement between HUD and IHS for the funding of sanitation facilities in new HUD homes built on Indian reservations. Under this arrangement, begun in FY 1982 at the direction of OMB, sanitation funds are to be transferred from HUD to IHS. To date, IHS has received a mere 25 percent of the funds supposedly earmarked by HUD for offsite sanitation facilities. We ask that the Committee continue to monitor this situation in order to insure that these monies are actually transferred and that new HUD Indian homes are properly provided with water and sewer facilities.

INDIAN HEALTH SERVICES
History of FY 1986 Request by Activity
(dollars in thousands)

Activity	FY 1985 Appropriation	FY 1986 IHS Request	FY 1986 HRSA Allowance	FY 1986 PHS Allowance	FY 1986 Dept Allowance	FY 1986 OMB Allowance
Clinical Services:						
Hospital and Health Clinic..	$417,016	$ 516,471	$ 516,471	$455,099	$442,021	$418,221
Maintenance and Repair......	8,570	20,397	20,397	9,147	8,964	8,673
Dental Services.............	24,923	32,092	32,092	26,004	25,760	25,215
Mental Health...............	11,179	13,820	13,820	11,610	11,492	11,304
Alcoholism..................	24,482	33,857	33,857	26,133	26,000	24,776
Contract Health Care........	163,956	242,109	242,109	175,869	174,121	165,866
Total Clinical Services...	650,126	858,746	858,746	703,862	688,358	654,055
Preventive Health:						
Sanitation..................	20,275	28,826	28,826	18,097	20,822	20,272
Public Health Nursing.......	12,212	16,583	16,583	10,787	12,857	12,195
Health Education............	3,576	4,832	4,832	2,929	3,831	3,573
Community Health Representation............	25,480	40,324	40,324	---	---	---
AK Immunization/Hepatitis Screening.................	3,626	5,462	1,337	1,062	2,783	2,721
Total Preventive Health...	65,169	96,027	91,902	32,875	40,293	38,761
Urban.......................	9,800	12,130	12,130	---	---	---
Manpower....................	6,499	6,151	6,151	4,126	6,235	6,499
Tribal Management...........	2,450	3,450	3,450	---	---	---
Direct Operations...........	59,684	69,847	69,847	59,751	60,994	56,778
Total IHS..................	$793,728	$1,046,351 1/	$1,042,226 1/	$800,614 1/	$795,880 2/	$756,093 2/

1/ Based on the 1985 President's Budget.

2/ Based on the 1985 Appropriation.

FmHA Credit to Indian Farmers

Some budget proposals which would have the most negative impact on Indian people are in agencies other than the Bureau of Indian Affairs and the Indian Health Service.

There is for instance, a proposal in the Department of Agriculture budget which would mean the near elimination of credit for Indian farmers and ranchers. The proposal is to end FmHA direct or insured operating and ownership loans. Direct operating loans would be replaced by guaranteed loans and ownership loans would be zeroed out. FmHA provides loans to farmers who cannot obtain commercial or other credit elsewhere. Indian farmers, for reasons related to trust status of land and jurisdiction complications, generally find FmHA their only source of credit. Add to this the precarious economic situation of many rural banks, and you find that Indian farmers are at the bottom of the list to get commercial credit.

While 10% of American farmers receive FmHA loans, in Indian country FmHA is the major creditor. For instance, in the states of North Dakota, South Dakota and Nebraska, 81% of the Indian owned morgaged acres (tribal and allotted) are mortgaged to FmHA. In Wyoming and Montana, 75% of Indian owned mortgaged land is mortgaged to FmHA. The land not encumbered to FmHA is almost all under mortgage to other federally connected lending institutions, including Production Credit Associations, Federal Land Banks and tribal loan programs. Of 4,041,051 trust acres encumbered by mortgages in North Dakota, South Dakota, Nebraska, Wyoming and Montana, only 92,183 or 4% are encumbered to commercial banks. We simply do not see any existing credit institution being able or willing to replace the void that would be created by the absence of Farmers Home Administration direct loans.

We are concerned about the vulnerability of allotted trust land -- a total of 10 million acres -- losing trust status. If a tribe defaults on payment to FmHA, the government does not force sale of the land. Rather, FmHA takes over income from the tribal land for a certain period of time. Individual allotted land, however, is able to be sold and, therefore, to pass out of trust status. The Farmers Home Administration is making good efforts to find Indian individuals or tribes to purchase land liquidated by Indian borrowers and thus keep the land in trust status. However, economics amy dictate that we cannot always count on there being available Indian purchasers. A sign of this is that only $2 million of the USDA tribal land acquisition fund was used in FY '84. It is not that tribes are not interested in purchasing land, but that they often cannot afford the interest rates on the loans. Another sign of problems is that there are increasingly Indian farmers applying for fee patents on portions of their land, so that they can then sell the land to pay off FmHA loans. These are observations of BIA credit people in area offices. However, figures are not compiled on the reasons for fee patent applications. We think it is important that the BIA and USDA work more closely with Indian farmers and that they more closely monitor trends in Indian agriculture.

USDA Soil and Water Conservation Programs

In the area of soil and water conservation, the Administration has proposed to cut the program by two thirds, from $600 million to $200 million. Many Indian lands are in areas of the country where soil and water conservation is greatly needed. The BIA's agriculture and range program has been reduced over the years. It was only in recent years that Indian tribes were allowed to form their own conservation districts, and thereby better utilize the Department of Agriculture's soil and water conservation programs. The Soil Conservation Service currently has $8,086,769 allocated to reservation conservation projects. But $73,784,500 is needed to complete these projects, and there is another $53,044,000 in unmet needs.

HUD Housing

The proposal to eliminate the HUD housing construction program and to reduce by $6 million the BIA Housing Improvement Program is a disaster. Indian people have the lowest housing standards in the U.S. There is a need for about 58,000 new housing units in Indian country and another 35,000 are in need of repair. The number of units built has been dropping during the Reagan Administration. During the Carter years 6,000 units were built yearly. In 1981 that figure dropped to 4,000. In 1983 and 1984, 2,000 units were built in each of those years. Likewise, the proposal to end the modernization program after FY '86 is simply looking away from the problem -- the Administration has no alternative answers to meet the housing needs of Indian people.

Small Business Administration

The Administration has proposed to basically make the Small Business Administration an advocacy organization and to move the Capitol Ownership Development Program (8A business development program) to the Department of Commerce. The Department of Commerce would not, however, take over the loan activities now done by SBA. There are currently 3,171 loans on the books to American Indian and Alaska Native businesses for $145,750,585. From October 1983 to January 1985 the number of American Indian/Alaska Native owned firms in the 8A development program has gone from 134 to 182. As with the Indian farmers, commercial credit for Indian small businesspeople is very hard to come by. SBA credit is an essential ingredient for economic growth, for jobs, for self-sufficiency.

Administration on Aging Grants to Tribes

A misleading figure in the FY '86 budget proposal is for Title VI of the Older Americans Act. This is the Administration on Aging's Grants to Indian Tribes for the purpose of providing community-based nutrition and other support services to the elderly. The appropriation for grants to Indian tribes increased from FY '84 to FY '85 from $5.7 to $7.5 million. While that sounds like an increase, the program at the same time went from 84 tribes and 19,294 people being served to 127 tribes and 26,825 being served. The increase in money is 24%, while the increase in population to be served is 33.8%. Even this does not reflect the true hardship, as programs with small numbers of people cost more to run than programs with large numbers of clients. This program is forward funded, so the $7.5 million FY '85 appropriation does not go into effect until April 1, 1985. This is the same time the 43 additional tribes will enter the program. Existing programs will certainly suffer. The FY '86 budget proposal extends what was effectively a large FY '85 reduction. A conservative estimate is that 80% of Indian people over age 60 are unemployed. Fifty-seven percent of elderly Indians are not eligible for social security. We would recommend funding of this program of at least $9 million to reflect the increased number of participating programs.

Legal Services

Once again, there is a request for no money for Legal Services. We have come to expect that from the Administration. Congress has, fortunately, always understood the need for this program and has continued to fund it.

What is different this year is that the Legal Services Corporation Board has proposed a 21% cut in Indian Legal Services and in the Indian Law Support Center. The Indian Support Center is operated out of the Native American Rights Fund office in Colorado. This Support Center provides tremendous services for lawyers practicing Indian law all over the country through training, co-counselling, materials development and other functions. It is a cost-effective and critically needed service for people practicing a particularly complicated area of the law and in rural areas with inadequate law libraries and other resources.

We submit as part of our testimony a statement given February 21, 1985 by Mary Trimble-Norris of the National Association of Indian Legal Services before the Legal Services Committee on Appropriations and Audit. The statement gives a good background on the economic, geographic, and legal reasons for Indian Legal Services. We urge Congress to earmark at least the FY '85 funding level for Indian Legal Services and the Indian Support Center in the event that the Legal Services Corporation does not reverse its position on these programs.

STATEMENT OF MARY TRIMBLE-NORRIS BEFORE THE LEGAL SERVICES CORPORATION COMMITTEE ON APPROPRIATIONS AND AUDIT

February 21, 1985

I. INTRODUCTION

Mr. Chairman and members of the Audit and Appropriations Committee. My name is Mary Trimble-Norris. I am the Chair of the National Association of Indian Legal Services, (NAILS), and the Deputy Director of California Indian Legal Services. Although I am not an attorney, I have worked as a paralegal and I have been involved with Indian legal services since 1973.

Once more Native American Programs must come before a new Board to address you concerning the challenge of providing legal services to Native Americans.

The Legal Services Corporation has, during its short ten year history, responsibly addressed the special access needs of Indian people. However, all too often a newly appointed Board or L.S.C. administration has proposed actions or policies that will harm our ability to serve our clients. Such actions typically are undertaken without the new Board having taken the time to learn about the role of Native American Programs.

In a number of instances over the past ten years, policies had to be amended to conform to the physical, political and legal realities existing in Indian Country. Over time previous Boards came to realize the unique role Indians have in our society, and the role and challenge of providing legal services to them. During the tenure of the previous Board their gradual recognition and understanding manifested itself in a resolution [see attachment A] pledging the continued support of the Corporation to the concept of special Native American legal services, and ir the establishment of a separate Indian regional office with a voice in policy formation.

We thus find it cruelly ironic that one of the first major acts of this Board was to propose an across the board budget cut of 21.6% for Indian programs. We ask you now to reconsider this action and learn what it is we do and how this budget cut will harm our clients horrendously.

II. THE L.S.C. ACT RECOGNIZES AND PREVIOUS BOARDS OF DIRECTORS HAVE RECOGNIZED THE SPECIAL LEGAL AND ACCESS NEEDS OF NATIVE AMERICANS.

From the inception of LSC, there has been a recognition that Native American people have exceptional need for legal services due to a variety of factors, some of which Congress explicitly itemized in §1007(h) of the Legal Services Act [see attachment B]. Such factors include, barriers raised by language and physical access, and a complex web of laws applicable solely to Native Americans. Following the mandate of Section 1007(h), studies were conducted at the direction of LSC to explore these circumstances and recommend solutions for addressing these needs. Among those studies were the Tosco Report and Lieberman Study [see attachment C and D respectively], which concluded that there were additional cost factors involved in representing Native Americans. As a result of these studies and other needs assessments, funding for Native American programs has historically proceeded under a different formula than funding for basic field programs. (See attachment E Indian Expansion

Formula, 44 Fed. Reg. 74976 (12/19/79) and attachment F Cong. Reg. H.R. 3480. LSC Reauthorization, June 17, 1981 debate.)

LSC Boards have also come to recognize and appreciate the role and purpose of Native American programs by focusing regulatory attention on uniquely Indian issues. Example -- the LSC Act at 1007(b)(2) allows criminal representation in tribal courts and 1010(c) of the Act allows special treatment of funds received from Tribes or foundations designed to benefit Indians. The LSC Board has exceptions for Indian programs in their instruction on Private Attorney Involvement. Finally, L.S.C. regulations provide exceptions for representing Canadian Indians and others who have a unique citizenship relationship with the United States~~[illegible]~~

LSC recently discussed and confirmed these principles. At its meeting on February 6, 1984, the LSC Board adopted a resolution which stated that the Corporation, "recognizes the unique status of Native American persons and the unique legal needs of this population....", and reaffirmed its continuing "commitment to meeting the special legal and access needs of Native Americans as mandated by Section 1007(h) of the Legal Services Corporation Act...". The Board then proceeded to create the Native American Unit as a separate unit within LSC to assist Native American programs in their efforts to meet these special legal and access needs.

The legal status of Native Americans is at the heart of their need for specialized legal service programs staffed with qualified experts in Indian law. A few examples suffice:

Indian affairs have always been the special and exclusive province of the federal government.

Indians are the only racial group specifically mentioned in the U.S. Constitution. In fact, most tribal members have only been allowed citizenship since 1924.

The federal government asserts plenary power over Indians, but over no other citizens. An entire volume of the United States Code and of the Code of Regulations deal solely with Indian people. In the last session of Congress alone over twenty public laws were passed dealing exclusively with Indian affairs.

Indian tribes possess lands based on treaties, but legal title to Indian land is held in trust by the U.S. government. Indian tribes retain sovereignty rights, but though not possessing all the sovereign powers of the federal government, the tribes are not subject to the Fourteenth Amendment.

Indian legal services has developed to meet the legal and access needs of those Native people who have a special legal relationship with the government. This includes members of federally recognized tribes living on or near reservations in historic Indian areas, as well as Native Alaskans and Hawaiians. The legal status of Indian people covers a broad range of special situation individuals, those tribes who are recognized by state government, those tribes who were lawfully terminated for some services but retain legal status with the federal government, tribes unlawfully terminated, and unrecognized tribes who need legal representation to seek federal recognition. Each tribe has a different history, and a separate status within the historical mission of Indian legal services. See Lieberman, 1979 jud. policy and Section 1007(h) recommendations.

In addition, to the complex legal issues Native American programs must address on a daily basis, we must also overcome physical and cultural barriers. Many Indian programs, because of relatively low population densities, must provide services throughout vast geographic regions that often have unreliable road and telephone systems. Some programs must also cope with the fact that relatively few clients speak English and few attorneys speak the native language. Finally, all Indian programs must follow not only the laws of the federal government and these United States, but we must and should adhere to the laws and customs of the those tribes we serve or our clients belong to.

The proposed drastic reduction in Indian funding demonstrates an abandonment of historical LSC commitment to meeting Native American needs.

III. NATIVE AMERICANS ARE THE LEAST ABLE TO ABSORB BUDGET CUTS.]

Is is well documented that Native Americans, especially those living on or near reservations are the poorest of the poor in America.

"Native Americans, on the average have the lowest per capita income, the highest unemployment rate, the lowest level of educational attainment, the shortest lives, the worst health and housing conditions and the highest suicide rate in the United States". "Fulfilling Our Promises: The United States and the Helsinki Final Act, Commission on Security and Cooperation in Europe (Nov. 1979).

The extreme poverty in Indian communities means that clients typically present legal problems of crisis proportion. To reduce the level of legal services available is simply unjustifiable. No rational justification has been articulated.

Indian communities are struggling, consistent with President Reagan's policy, to develop private sector economies. Legal aid programs frequently and increasingly play critical roles in this process through their position as tribal attorneys , but in the meantime reservation economies are heavily dependent on the governmental sector for jobs. The recent federal budget cuts have had tremendous adverse economic impact in Indian communities, and private job creation has yet to take up the slack. The economic slump in Indian communities caused an increase in unemployment, domestic, and welfare problems. In the face of increased legal needs and reduction of reservation resources your proposal can not be justified.

IV. THE EFFECT OF THE PROPOSED 21.6% CUT ON DELIVERY TO CLIENT AND STAFFING OF NATIVE AMERICAN RECIPIENTS

The 21.6% cut in Native American funding will devastate the delivery of legal services to Indian people. You only need to look at the effect of the FY 1982 cut for proof. The LSC Board recognized in 1981 that a 25% cut would do irreparable damage to Indian programs and for that reason only proposed a 12.5% cut. The LSC Board recognized that Indian programs serve a vast geographic areas with 1, 2 or 3 attorney offices, and a 25% cut would not have been drastically sustainable. Even with a 12.5% cut the number of attorneys and advocates were from 178 in 1981 to 135 in 1982. This is a comparable reduction to that suffered by the basic field, and is explained by the high cost of maintaining many offices in remote areas. With the increase in funding over the past two years, programs are now being rebuilt. There are now 146 attorneys and tribal court advocates still well below the FY 1981 levels. [See attachment G - LSC Native American Recipient Staffing Patterns]

A 21.6% cut for FY 1986 would force large reductions in staff, the elimination of services to many reservations and virtual elimination of many small components. A couple of specific examples will make the point:

Idaho Legal Services currently has 2.5 attorneys to provide legal services to the five tribes who reside within the State. A 21.6% cut could only mean the closure of one of the two offices now providing services to these tribes.

The six tribes in Utah are provided legal services through only a single attorney who contracts with the general legal services program in that state. Many components and programs will simply for all intents and purposes, "go under" if you go through with your budget cuts.

In conclusion, we urge you to rescind your earlier action and to follow the recommendation made by us and the other sectors of the legal services community - increase your budget request to Congress, but do not impose unfair and arbitrary budget cuts.

Mr. TAYLOR. Ms. Martin, I would be happy to have you proceed. I would like to note that we received a phone call yesterday morning from you advising that you were getting on an airplane in Alaska at seven o'clock in the morning to fly down here. I am very curious. When did you arrive?

Ms. MARTIN. I arrived at 9:30 last night.

Mr. TAYLOR. That is not too bad.

Why don't we proceed with your testimony?

STATEMENT OF CAROLINE MARTIN, ALASKA NATIVE HEALTH BOARD, JUNEAU, AK

Ms. MARTIN. Thank you. My name is Caroline Martin. I am a member of the National Indian Health Board.

This is the first that I have had a chance to glance at the testimony that was prepared by the National Indian Health Board and the National Congress of American Indians. In glancing through I note three or four paragraphs that I think are worthy of mention. You do have the written testimony.

However, for hospitals and health clinics a decrease of $10.7 million will result in the elimination of the CHR and EMS programs and a reduction of services in in-patient care, ambulatory care, tribal contracts, optometry, social services, patient transportation, and facility maintenance. This action will have a negative effect on both the quality and quantity of health services provided to Indian people. This is a very real concern to us in Alaska because transportation is so costly. For one patient to come from, say, Kanackanack or even Quigilinauck into the Bethel area, it is going to cost them maybe a whole month of any kind of wages that they may have in the wintertime.

Mr. TAYLOR. I am going to ask you to do something when you complete your testimony. If you would talk to the court reporter and spell these words for her, it would help.

Ms. MARTIN. Certainly.

For dental care, a program decrease of $315,000 will result in a loss of approximately 8,000 basic clinical services to an estimated 1,000 patients. In alcoholism, a $1.2 million program decrease will result in a 1 percent reduction to all 200 Indian alcoholism projects in the area of clinical, preventive, counseling, and intervention services. For my area alcoholism is a very, very grave threat to the well-being of our Native people, both children and elderly, so I really am concerned about the alcoholism budget.

For contract care, the $1.9 million increase will be insufficient to cover medical inflation costs, resulting in decreases of 685 hospital admissions, 3,285 in-patient days, 1,000 ambulatory visits, and 1,000 dental visits. I think these are really good statistics to keep in mind.

For clinical activities, where the administration has recommended slight increases, the net effect will be a reduction in services since the proposed increases will be used primarily for pay increases.

I think I would leave the rest for the staff to glean.

Mr. TAYLOR. Did you have some testimony on JOM that you were going to present also?

Ms. MARTIN. Yes, I do. Do you want the whole story?

Mr. TAYLOR. No, I recommend you summarize. I think we have a fairly decent handle on this.

Ms. HARJO. While she is getting that, I should say that the Philippine flu has had our staff engaged for the past week and it has apparently just taken our friend Karen, so she will not be joining us.

Mr. TAYLOR. I would also say, to anyone who has prepared testimony, it will be made a part of the record just as if it were spoken here, so, if you will, please summarize.

Ms. MARTIN. Thank you. I have just handwritten notes but I would be glad to prepare them and submit them.

True self-determination in any society of people is dependent upon an educational process which will ensure the development of qualified people to fulfill meaningful leadership roles. The Federal responsibility for and assistance to education of Indian children has not effected the desired level of educational achievement or created the diverse opportunities and personal satisfaction which education can and should provide.

This probably sounds familiar to you. This is taken out of the text of Indian self-determination, section 63B.

Unfortunately, 63B has not yet achieved the full maximum of its intent but the figures reflect an upward trend. In our State, which is Alaska, we now have figures reflecting a 2 percent Alaska Native hire in the teaching profession. This is twice the amount of 1965 statistics.

Congress declared that a major national goal is to provide the quantity and quality of educational services and opportunities which will permit Indian children to compete in the life areas of their choice and to achieve the measure of self-determination essential to their social and economic well-being. We would like our Indian children to excel in the life areas of their choice.

Therefore, Johnson-O'Malley funds in Alaska have gone to such supplemental programs as tutorial and academic assistance, counseling services; specialized services such as speech therapists and special reading teachers, preschool instruction, and also includes some social enrichment. In some of our smaller villages there are children that might not ever leave their community in their whole lifetime. Some funds are earmarked for travel for the children who are faced with this type of situation.

The services that I have just mentioned are provided to our Indian children for a Statewide budget of $6 million. These funds serve the needs of 22,000 eligible Indian children in Alaska.

The goals of the Johnson-O'Malley program for our State reflect that Indian students be knowledgeable and have success in academic skills at their grade level, and be competitive with their peers—this is very important for the student; that they have much-needed tutorial services available; and that ailments and problems be investigated in depth which limit or discourage the student's classroom performance as related to behavioral or academic progress.

The goals of Johnson-O'Malley also provide personal and group guidance to Indian students so they will make more knowledgeable decisions that may affect their personal and academic goals. They provide the student with information on career planning, higher education, and scholarships available, to enable them to make choices of careers through referrals to proper agencies; to encourage and promote positive self-identity of the Indian student by increasing their knowledge and awareness of their rich Native American heritage in order to function successfully.

The goals also help to facilitate tolerance and cross-cultural understanding between the Native and non-native community; that Indian students' individual needs, school-related and non-school-related, will be facilitated by outreach attempts to other appropriate agencies to facilitate health, social learning disability problems, and the students' need for advocacy in disciplinary situations within the school district.

A recent Federal evaluation of an Alaskan JOM program states that:

> The preschool program was excellent, with follow-through on the abilities of the kindergartener to function with his or her peer group. This same program received outstanding recognition for one-to-one academic assistance with excellent, complete coverage of the school district, although understaffed. There are 1,014 Native students with 8 counselors and 3 preschool coordinators for this program.

It is also noted that the staff turnover rate for this program was almost nonexistent for the past 4 years.

In a BIA communication release dated February 4, a BIA education spokesman—unnamed—said that the Johnson-O'Malley program was considered expendable because similar supplemental assistance is provided in the public schools through programs funded by the Department of Education and the Department of Health and Human Services. These funds are not specifically earmarked for supplemental programs for the Indian student.

The release also states that reports by the General Accounting Office and the Interior Inspector General have indicated that in many cases Johnson-O'Malley funds have been used for basic public school activities not aimed at the unique needs of Indian students.

I am of the impression that the Indian children are part of their school system and, as such, any funds spent would be considered supplemental to the operational support on behalf of those Indian students. This is in line with the education contracts under the Johnson-O'Malley Act.

Public Law 874 Federal Impact Fund distribution is based on a formula of federally-owned property. The rural area of Alaska is the prime benefactor of these funds, but I must point out here a couple of facts that are disturbing to my people. First, the funds are not specifically earmarked for the Native students. These funds are put into a general fund and go toward whatever program the district designates. Secondly, the school district will make every effort to keep the Native student in the classroom until the reporting requirements are met, or October 31st. JOM statistics show that 90 percent of our dropout rate occurs after that magic date. I would recommend that this situation be scrutinized very, very carefully. I think that these funds could very definitely be used to the Native students' advantage.

The Department of Education for the State of Alaska released a student assessment report conducted in 1983 which states that Natives significantly score lower academically than the non-Native students. There are not sufficient dollars to adequately address this type of problem. The counselor ratio in the only high school in our capital city meets the barest minimum needs to comply with national accreditation requirements. The high school has three certified counselors for 1,400 students. I seriously doubt that our Native children will get the much-needed counseling services to put them over the top and achieve high school graduation.

The combined effect of the closing or turnover of BIA schools and the loss of JOM funds will have a strong negative short- and long-term effect on the Native children. The rising cost of education will cause less attention to be paid to the Native students. We cannot allow this to happen to our Native children. The funds for the Johnson-O'Malley program must be restored into the budget.

That would do it.

[The prepared statement follows. Testimony resumes on p. 88.]

PREPARED STATEMENT OF THE NATIONAL INDIAN HEALTH BOARD AND THE NATIONAL CONGRESS OF AMERICAN INDIANS SUBMITTED BY CAROLINE MARTIN OF THE ALASKA NATIVE HEALTH BOARD, JUNEAU, AK

Wednesday, February 27, 1985

On behalf of the membership of the National Indian Health Board and the National Congress of American Indians, I wish to thank the Committee for this opportunity to present our views on the Administrations's proposed FY 1986 budget for the Indian Health Service. The National Indian Health Board, a non-profit organization based in Denver, Colo., is composed of 12 representatives elected by their respective area health boards or inter-tribal organizations in each of the 12 IHS geographically-defined service areas. The National Congress of American Indians is the nation's oldest and largest Indian organization. Our two organizations have worked closely together over the years, primarily thorugh the NCAI Health Committee, to address the health care issues affecting American Indians and Alaska Natives.

Once again the Administration is seeking through its budget request to reverse the improvements achieved in Indian health care over the past 20 years. For the fifth year in a row the Administration is calling for reductions in clinical and preventive care; the elimination of critical programs for Community Health Representatives, Tribal Management, Urban Indian Health; and a halt to the construction of hospitals, outpatient clinics, and sanitation facilities. Acceptance of these recommendations would deprive Indian people of desperately-needed primary and preventive health services, resulting in increased mortality and morbidity in Indian communities. We deeply appreciate the efforts of the Congress and this Committee in preventing the Administration's proposed dismantling of these programs.

Before turning to several specific items in the Administration's FY 1986 budget request, we wish to first note a potentially serious development in the IHS' current year budget. The Administration is requiring federal agencies to "absorb" the FY 1985 Pay Act costs in their base budgets rather than permitting such increases to be provided through a supplemental request. The Indian Health Service simply cannot afford this reduction in FY 1985; the agency would have to take drastic measures to account for the $9.6 million needed to cover these costs. In the Bemidji area, for example, it is projected that some health facilities might be forced to close if supplemental funds are not forthcoming by the end of the fiscal year. We request that the

Committee closely monitor this situation and take whatever action necessary to protect against a FY 1985 budget shortfall that would curtail health services to Indian people.

Overview: Clinical Care and Preventive Care

The Administration's FY 1986 budget request for Indian health represents a direct repudiation of the goals contained in the Indian Health Care Improvement Act of 1976 (P.L. 94-437), goals which were reaffirmed by Congress in last year's passage of S. 2166, the Indian Health Care Amendments of 1984 (subsequently vetoed by the President October 19). As recognized by the Congress, the health care status of Indian people remains substantially below that of the general population. Despite the progress made in the last seven years under P.L. 94-437, Indian infant mortality remains 11 percent higher than the national average; death from tuberculosis is six times higher among Indians than non-Indians; Indians also suffer from a much higher incidence of poor nutrition, diabetes, hypertension, pneumonia, and influenza than all other Americans. While the Congress fully intended to address these and other health care problems affecting the Native American population and to raise the health care status of Indian people to a level equal to that of the rest of the nation, the Administration appears intent on reducing the Indian health program to a system of limited, reservation-based clinics incapable of delivering high quality care.

Although the Administration's budget justification contains repeated references to an "overall freeze policy" the impact of its recommendations would be a reduction in services for every program of the Indian Health Service. The total request is nearly $300 million less than the amount identified by IHS as necessary for providing a slightly expanded level of services in FY 1986 (see attached table for detailed summary of IHS' original request). Assuming even the most conservative medical cost inflation rates of 6-7 percent projected by the Administration in FY 1986, an increase of $40-45 million is needed in clinical activities just to continue existing services.

Even in the clinical programs where the Administration has recommended slight increases for FY 1986, the net effect will be a reduction in services since the proposed increases will be used primarily for pay raises, within-grade promotions, and other built-in increases. As a result, every clinical care category will be forced to cut direct services. Among the projected program reductions that will be brought about by the Administration's request are the following:

o Hospitals and Health Clinics: A decrease of $10.7 million will result in the elimination of the CHR/EMS program and a reduction of services in inpatient care, ambulatory care, tribal contracts, optometry, social services, patient transportation, and facility maintenance. This action will have a negative effect on both the quality and quantity of health services provided to Indian people.

- Dental Care: A program decrease of $315,000 will result in a loss of approximately 8,000 basic clinical services to an estimated 1,000 patients.

- Alcoholism: A $1.2 million program decrease will result in a one percent reduction to all 200 Indian alcoholism projects in the areas of clinical, preventive, counseling, and intervention services.

- Contract Care: The $1.9 million increase will be insufficient to cover medical inflation costs resulting in decreases of 685 hospital admissions; 3,285 inpatient days; 1,000 ambulatory visits, and 1,000 dental visits.

In the area of preventive care, which IHS has identified as one of its most important objectives in FY 1985 and FY 1986, the Administration has requested a 40.5 percent decrease. Reductions in the preventive health categories (excluding community health representatives) include:

- Sanitation: A decreae of $412,000 will result in a loss of 13,500 Environmental Health Services, including services for water and sewer systems, insect and rodent control, and community injury control.

- Public Health Nursing: A program decrease of $372,000 will cause the reduction of 4,300 PHN services, primarily in the area of maternal and child care, including neonatal followup and prevention of infectious diseases in infants and children.

- Health Education: A program decrease of $115,000 will lead to a reduction of about 9,000 health education services.

In addition to these program reductions, the Administration's proposed budget calls for $10 million in Medicare/Medicaid collections to be used to offset mandatory cost increases in FY 1986. This request disregards the original intent of these collections; as specified in Title IV of P.L. 94-437, these reimbursements are restricted to maintaining the quality of IHS facilities and services at accredited levels. Implementation of this recommendation will jeopardize the future accreditation of some IHS facilities, which, in turn, would reduce future collections of Medicare, Medicaid and other third party funds.

Clearly, the Administration's budget request poses a serious threat to the lives of every Indian man, woman, and child that depends on the Indian health program as their primary source of care.

We urge the Committee to continue its efforts to address the tremendous unmet health care needs of Indian people by supporting the resources necessary to deliver quality care to all Native Americans.

Community Health Representatives

One of the most distressing aspects of the Administration's budget proposal is its attempt, once again, to end the Community Health Representative program. Time and again the IHS medical community has insisted that the CHR's are an irreplaceable part of the Indian health care delivery system. Nevertheless, the Administration has proposed to eliminate the program "in an effort to focus scarce federal resources on maintaining key inpatient and outpatient medical care services."

As noted in the Administration's budget justification, an estimated 1,500 CHR's will provide approximately 1.96 million health care services in FY 1985 in the areas of general health care, dental health, gerontological care, maternal and child care, mental health and environmental health. We cannot understand the Administration's reasoning that the health care services rendered by this skilled cadre of tribal health professionals fails to qualify as "key inpatient and outpatient medical care services." The CHR's are invaluable to Indian communities, particularly in their ability to provide outreach and home health services to many rural reservation families. The CHR program, which employs indigenous, well-trained tribal health providers, has been used as a model for the provision of community-oriented primary care services in developing countries, and should be encouraged and supported.

In addition to its considerable accomplishments in the delivery of health services, the CHR program has, at the request of congressional committees, undergone several major changes to strengthen its management and accountability. For example, a national CHR program office was created last year; standard contract guidelines have been developed and implemented; and an automated reporting system is scheduled to be put in place this summer.

We urge the continued funding of the CHR program of at least the present $29.5 million (approximately $4 million is included in the IHS' Hospital and Clinic activity to provide for the Emergency Medical Services protion of the CHR program), and an additional $5 million increase to provide a modest cost-of-living adjustment for these dedicated health providers.

Tribal Management

In its FY 1986 budget justification, the Administration states that one of three broad initiatives for strengthening the overall IHS program is in the area of "self determination activities." Despite this commitment, the Administration proposes the elimination of the Tribal Management program, which has such potential for assisting tribes to plan and contract for health programs under authority of the Indian Self Determination and Education Assistance Act (P.L. 93-638).

We view the Administration's proposed elimination of the Tribal Management budget activity as a blatant contradiction of IHS' objective of promoting Indian self determination, and we strenuously oppose this recommendation. We also disagree with the Administration's assertion that, without Tribal Management funding, IHS will be able to provide technical assistance when requested by tribal management. On the contrary, many tribal requests for training and technical assistance are not being met under current IHS funding and staffing levels, as indicated during NIHB's field research for preparation of last year's publication, "Evaluation Report: The Indian Health Service's Implementation of the Indian Self Determination Process" (April, 1984). (It should be noted that NIHB's study focused only on IHS areas considered to be relatively "successful" in their implementation of P.L. 93-638; even in these areas tribes frequently cited the need for additional assistance in contracting and management matters.) Given the personnel reductions and other budgetary constraints projected as a result of the Administration's FY 1986 budget request, we believe that the absence of the Tribal Management program would render IHS totally incapable of responding to the self determination needs of tribes.

As noted in the Administration's justification, tribes have indicated a need of approximately $12 million to meet Tribal Management funding requirements. Since nearly all tribes who wish to manage part or all of IHS-operated health programs need preparatory development of their management capabilities, authority for this development is provided by P.L. 93-638, primarily under section 104(b) grants. Tribal Management funds provide the resources to support these activities, which include feasibility studies to assist tribes in determining whether to contract for an IHS facility or program; training on standards of the Joint Commission on Accreditation of Hospitals, so that tribes can increase collections from Medicare, Medicaid, and third-party resources; analysis of data collection systems; program audits, and other projects designed to enable tribes to improve their management capabilities.

Past funding for Tribal Management has barely scratched the surface of these needs; we therefore ask the Committee to support the continuation of this program and expand the $2.45 million provided in FY

1985 to at least $6 million in order to realistically address tribal management and development requirements. We also support the evaluation of the Tribal Management program called for in the FY 1986 budget justification. However, we request that funding for this evaluation be specifically identified by the Commitee, in order to ensure that such funds are not taken from limited program resources.

Indirect Costs/Tribal Specific Health Planning

In addition to the Tribal Management program, two other activities are crucial to improving tribal involvement in the health care system: funding for indirect costs associcated with P.L. 93-638 contracts, and tribal specific health planning.

We appreciate the Administration's recognition of the indirect cost issue. Over the past year the problem of indirect costs has been a serious impediment in the negotiation and administration of several IHS P.L. 93-638 contracts, including contracts for hospitals negotiated with the Mississippi Choctaw Tribe, the Oklahoma Choctaw, and the Southeast Alaska Regional Corporation. Indirect costs include administrative and support costs that are incurred by tribes and tribal organizations but cannot be funded by the existing IHS budgets; examples of such costs include liability insurance, audits, tribal management and financial systems, and employee benefits.

We view indirect costs as a necessary element of the current P.L. 93-638 contracting process, and we support the creation of a separate budget line item for this activity. However, we are concerned that the $5 million proposed by the Administration will be insufficient, and believe that the amount required to adequately address tribal indirect costs in FY 1986 is in the range of $10-12 million.

We are also concerned that the $5 millions used for indirect costs will be taken from clinical or preventive health categorios, resulting in the loss of 85 FTE's and leading to a further reduction in health services to Indian people. We oppose this shift in funding and ask that the Committee support the establishment of a separate indirect cost line item, preferably within the Clinical Services budget, as a supplement to the FY 1986 budget, and that such funds be made a part of the recurring IHS base.

Another important activity with regard to promoting self-determination activities is increased tribal involvement in health planning. We are pleased that IHS intends, as stated in the FY 1986 budget justification, to emphasize the Tribal Specific Health Planning (TSHP) process. This process, if properly implemented, could afford tribes an excellent opportunity for meaningful participation in the Indian health program. It would also better enable tribes to deal with difficult health policy matters--such as P.L. 93-638 contracting, eligibility, resource allocation, and health care priorities--which have become increasingly important due to budgetary constraints.

However, in order for this process to work, it is imperative that tribes be involved in an ongoing planning effort and that they be granted adequate time and resources to participate. Contrary to IHS' assertion that it "has and continues to involve the tribes in resource planning and allocation methodology to reflect tribal concerns," we believe that tribes have not been able to take part in these important activities. "Involvement" and "consultation" must be seen as something more than last-minute requests for comments on health policy matters (exemplified by an IHS memorandum last fall seeking tribal response on TSHP's and the Resource Requirements Methodology). It is our hope that IHS is sincere in its commitment to improve tribal participation in these planning processes, and we ask that the Committee support this important objective.

Urban Health

For the fifth consecutive year the Administration is seeking to eliminate the urban Indian health program on the basis that "the off reservation Indians are eligible for alternative health care resources such as Medicare/Medicaid, community health centers, the National Health Service Corps, State or local health care programs supported by federal health block grants and State and local funding agencies."

Yet, as the Congress determined during passage of Title V of P.L. 94-437, and reaffirmed during consideration of last year's Indian health reauthorization bill, urban Indians in fact do not have adequate access to alternate health resources. And, with every single "alternative health care resource" identified in the Administration's justification also slated for severe cuts or outright elimination, there would be even less likelihood of urban Indians obtaining proper medical treatment from such sources.

As reflected in the 1980 Census, more than half the American Indian population now resides in urban areas; in many cases they are there as a result of the federal government's past relocation policies. More than 300,000 urban Indians are served by 37 Indian health projects in cities across the country. In providing a wide range of clinical, outreach and referral services to their patients, these urban projects have over the years become a vital component of the Indian health program. Without them, many Indian people would return to reservation clinics that are already overutilized and understaffed; in other instances, the health problems of urban Indians would go untreated.

The urban Indian health program has proven to be a remarkably cost effective means of delivering health services. In FY 1983, a total of 537,157 services were provided in urban Indian health projects at a cost of $28.70 per encounter (with only about half this amount coming Title V funding, and the balance from non-IHS resources). Over the past five years, services at urban Indian health projects have increased 43 percent compared to an 11 percent increase in total funding.

We commend the success of the urban Indian health program, and we support the American Indian Health Care Association in its request for $11 million for continuation of the program in FY 1986.

IHS Construction Activities

Facilities Construction

We are deeply concerned that this Administration continues to neglect planning, construction and maintenance of its Indian health facilities. As in years past, the Administration has decided not to seek IHS construction funds in FY 1986. It has also proposed to merge the "Indian Health Facilities" and "Health Services" authorizations. At present, the Health Services budget is a one year fund, whereas the Facilities budget is available until expended. If a combined budget classification as recommended by the Administration became one year money and construction projects became delayed (as often happens due to forces beyond IHS control), the funds would be lost and perhaps not reappropriated in later years. We oppose this merger and request that this Committee support continuation of a separate budget authority for IHS construction activities.

We also wish to comment on the report regarding the design approval process requested by the House Interior Appropriations Committee. The Department was asked to examine ways in which the process can be streamlined and disagreements resolved in a more timely manner. We understand that the review basically revealed two major issues that have adversely affected the design approval process.

First of all, the current review and approval system for development of the Program Information Documents (PIDs) is unnecessarily inefficient and lengthy. According to current policy, PIDs must be reviewed, approved, and/or certified by five distinct offices in DHHS with final review and approval by a "Facilities Review Board" chaired by the Assistant Secretary for Health. Questions or issues that have been resolved during PID development are raised again and again at higher approval levels. We believe that project review and approval time can be reduced by replacing the Facilities Review Board with a multidisciplinary committee that has the authority to review and approve all PIDs.

Secondly, some IHS standards, criteria, and planning methodologies appear to have been questioned, again at higher approval levels. It is imperative to an effective and efficient PID development and approval process to have standards, criteria, and planning methodologies that are both professionally and/or medically accepted on a national level as well as responsive to the unique needs of the local health care delivery system. (We have stated time and again that it is critical that tribal health entities have an opportunity to be involved in planning and review of such criteria.) Although IHS' standards, criteria, and planning methodologies have been developed and periodically updated in concert with nationally recognized professional, clinical, and accrediting bodies, some standards and/or methodologies are questioned or disregarded by the reviewers. We recommend that the IHS standards, criteria, and planning methodologies be accepted at all review levels. If necessary a contract with an experienced health care planning firm should be developed to review, update and make such criteria acceptable.

We wish to make one additional suggestion for avoiding some of the delays often encountered in the design approval process. After receiving the certification or approval of the top facility constructioin needs from its Priority System Committee, the IHS initiates an intensive program planning process. Prior to development of the PID the following data is gathered and submitted to PHS a year in advance: information relevant to existing health care delivery system patterns and conditions; availability and accessibility of alternative resources; existing and projected workloads; population to be served; program deficiencies; staffing requirements; alternative sites and conditions of those sites; contract care analysis; and other information necessary to evaluate and determine the requirments for a health care delivery system. We strongly recommend that IHS be provided immediate feedback regarding a facility (including any percieved problems) when such preliminary information is received rather than having to wait until it submits the full PID as now occurs.

The Administration's FY 1986 justification states that its decision not to request funds for construction of health care facilities was based partially on the ". . . large unobligated balances in this account." We wish to point out that of the $97.77 million for health facilities available for obligation in FY 1985, IHS expects to obligate some $77.33 million, or the vast majority of that amount, by the end of the fiscal year.

At the behest of Congress, IHS developed a construction priority system which, when applied to the IHS health facilities unmet needs, allows the ranking of facilities for replacement or new construction in order of priority. This system has provided Congress with an objective, rational approach to the construction of health facilities on Indian reservations. We deeply appreciate this Committee's past efforts to adhere to the priority ranking system and respectfully request that funding be allocated in accordance with this list in Fy 1986 to the following projects:

a. Hospitals - For Phase I construction and purchase of long lead equipment for the hospitals at Sacaton, AZ. ($12,466,000), Rosebud, S.D. ($10,471,000) and Pine Ridge, S.D. ($5,200,000) and for additional design funds for a hospital at Wagner S.D. ($800,000). Notable by its absence from this list is additional planning money for a hospital at Anchorage, AK. We understand that $2 million was appropriated in FY 1984 to plan for a replacement hospital there and it is anticipated that a portion of these funds will be utilized in FY 1985 to obtain outside assistance in completing a program information document for this very large project. Nonetheless, we are told by IHS that while an additional $4 million in planning money will eventaully be required such an amount could not be obligated in FY 1986. We support the testimony of the Alaska Native Health Board seeking necessary funding to complete planning and design of the Anchorage hospital.

b. Modernization and Repair - The total backlog of essential maintenance and repairs (BEMAR) to Indian health facilities currently amounts to some $60 million. A reasonable approach to eliminate a portion of this backlog would be to fund approximately the top two projects from each IHS area/program office ($16,571,000). We also urge the Committee to support funding for the 27 energy conservation retrofit projects identified by a survey of changes necessary to conserve energy in existing facilities ($6,190,000).

c. Outpatient Facilities - For planning of clinics at: Toppenish, WA. ($688,000), Parker, AZ. ($474,000), and Ft. Hall, ID. ($507,000).

d. Personnel Quarters - For design, construction and renovation of 12 new and 8 existing quarters at Sacaton, AZ. ($1,300,000), design and construction of 34 units at Kanakanak, AK. ($5,541,000), and for design and construction of 22 units at Kyle, S.D. ($2,090,000).

Sanitation Facilities

Much of the improvement in Indian health care over the past 20 years is a direct result of the IHS sanitation program which provides water supply, sewage disposal, and solid waste disposal for Indian homes and communities. Yet, as the Administration's own budget justification states, "the scarcity of safe water supplies and the lack of adequate facilities for the disposal of human and household wastes still prevail in Indian country. The lack of these facilities contributes to the spread of micro-organisms responsible for diarrhea and dysentery, to insect and rodent infestations in both Indian homes and communities, and to the contamination of food and water supplies."

Despite the efforts of the IHS sanitation program, in excess of 23,000 Indian homes lack adequate water and sewage facilities. In order to begin addressing this tremendous unmet need, which totals more than a half billion dollars we ask that a minimum of $30 million be provided in FY 1986 for sanitation facilities in existing Indian homes and facilities. In addition we anticipate that approximately 2,900 new non-HUD Indian homes will need water and sewer hookups in FY 1986, requiring approximately $24 million to provide these facilities.

Finally, we wish to express our continued concern with the inter-agency agreement between HUD and IHS for the funding of sanitation facilities in new HUD homes built on Indian reservations. Under this arrangement, begun in FY 1982 at the direction of OMB, sanitation funds are to be transferred from HUD to IHS. To date, IHS has received a mere 25 percent of the funds supposedly earmarked by HUD for offsite sanitation facilities. We ask that the Committee continue to monitor this situation in order to insure that these monies are actually transferred and that new HUD Indian homes are properly provided with water and sewer facilities.

This concludes the joint statement of the National Indian Health Board and the National Congress of American Indians. We appreciate the opportunity to present our views here today, and we would be pleased to respond to any questions you might have about our recommendations.

INDIAN HEALTH SERVICES
History of FY 1986 Request by Activity
(dollars in thousands)

Activity	FY 1985 Appropriation	FY 1986 IHS Request	FY 1986 HRSA Allowance	FY 1986 PHS Allowance	FY 1986 Dept Allowance	FY 1986 OMB Allowance
Clinical Services:						
Hospital and Health Clinic..	$417,016	$ 516,471	$ 516,471	$455,099	$442,021	$418,221
Maintenance and Repair......	8,570	20,397	20,397	9,147	8,964	8,673
Dental Services.............	24,923	32,092	32,092	26,004	25,760	25,215
Mental Health...............	11,179	13,820	13,820	11,610	11,492	11,304
Alcoholism..................	24,482	33,857	33,857	26,133	26,000	24,776
Contract Health Care........	163,956	242,109	242,109	175,869	174,121	165,866
Total Clinical Services...	650,126	858,746	858,746	703,862	688,358	654,055
Preventive Health:						
Sanitation..................	20,275	28,826	28,826	18,097	20,822	20,272
Public Health Nursing.......	12,212	16,583	16,583	10,787	12,857	12,195
Health Education............	3,576	4,832	4,832	2,929	3,831	3,573
Community Health Representation............	25,480	40,324	40,324	---	---	---
AK Immunization/Hepatitis Screening................	3,626	5,462	1,337	1,062	2,783	2,721
Total Preventive Health...	65,169	96,027	91,902	32,875	40,293	38,761
Urban.......................	9,800	12,130	12,130	---	---	---
Manpower....................	6,499	6,151	6,151	4,126	6,235	6,499
Tribal Management...........	2,450	3,450	3,450	---	---	---
Direct Operations...........	59,684	69,847	69,847	59,751	60,994	56,778
Total IHS.................	$793,728	$1,046,351 1/	$1,042,226 1/	$800,614 1/	$795,880 2/	$756,093 2/

1/ Based on the 1985 President's Budget.

2/ Based on the 1985 Appropriation.

INDIAN HEALTH FACILITIES
History of FY 1986 Request
By Activity
(dollars in thousands)

Activity	Preliminary Request to HRSA	HRSA Allowance to PHS	PHS Allowance to Dept	Dept Allowance to OMB	Allowances
Hospitals:					
New & Replacement.......	$ 84,285	$ 84,285	$31,567	$12,446	$ ---
Modernization & Repair..	12,777	12,777	8,000	8,000	2,450
Total Hospitals.........	97,062	97,062	39,567	20,446	2,450
Outpatient Care Facilities	17,955	17,955	---	---	---
Personnel Quarters........	26,696	26,696	4,750	8,400	---
Sanitation Facilities.....	54,000	54,000	5,000	5,000	---
Grand Total Facilities..	$195,713	$195,713	$49,317	$33,846	$2,450

Ms. HARJO. In concluding our portion of this testimony, for the United States of America, which is the most powerful Nation in the world, to nickle-and-dime our education and health programs, when we are clearly the people who have the greatest educational and health needs in the United States, does little credit to the United States in the eyes of Indian people and in the eyes of fair-minded people in the world community of nations.

Thank you very much.

Senator MURKOWSKI. Well, for the sake of silence I will interrupt and tell you, Caroline, that I very much appreciate your testimony. I have been down to the White House with our Commander in Chief. Then, we had a Republican caucus and I have missed three or four other things but I did want to come over here. I am running behind schedule but I am doing the best I can.

I am very pleased to have your testimony, Caroline. You serve on the Alaska Native Health Board and are vice chairman of the National Advisory Council on Indian Education, and I am interested in your perspective on the proposed budget for 1986 which I assume you have already given for the most part.

One of my concerns is the impact which you touched on, on the proposed elimination of funding for Johnson-O'Malley and the effect it will have on Alaska. The per-capita allotment of these funds is almost double that of students in other States in the lower 48. With the transfer of the BIA day schools to the State almost completed, I am concerned that the elimination of this funding to public schools will adversely affect the education of Alaska's Native children.

I am also concerned about the proposal to eliminate funding for the Community Health Representative Program. The CHR has been a vital component to the delivery of health care services to Alaska's Native community, and I do not believe that this program should be zeroed out, which is the case in the proposal currently before us.

As you know, one of my highest priorities, since coming to Congress, has been related to the issue of Hepatitis B and its effects on Alaska's Native community. I am pleased to see that we have $2.721 million recommended for fiscal 1986. I have requested that Dr. Rhoades report to me on the progress of the program and also whether these funds will be sufficient to complete the program.

The programs administered by the BIA, IHS, and HUD are extremely important to our Alaska community, and the committee will carefully consider all the testimony in making its recommendations. I would like to emphasize, however, that the significance of the Hepatitis B funding is really good news because we will not have to seek matching funds from the State, which we did last year.

How much did we seek from the State of Alaska last year? $3.2 million, and you anticipate we would not have to seek this in fiscal 1976.

My point in emphasizing this, Caroline, is I assume that one could make a case that whatever support the State might ordinarily have given to that program is free to be directed to another program. I think it is important to keep that in the back of our minds as we reflect on the pressures that we are all under in regard to the budget reduction, and also the concern in the State of Alaska over what the State should do because of its limited revenues as a result of the decline of the price of oil.

Let me ask a question specifically. On the proposed transfer of the schools, was there not allegedly some consideration given to the impact of Johnson-O'Malley funds? It seemed to me that the BIA was addressing a formula revising the allocation. What ever happened to that? Maybe the professional staff can elaborate if you do not know, but I was aware that since we knew the process was occurring of the transfer of the schools and the impact was going to be evident, that there was an effort to address that question.

Ms. HARJO. When you ask the BIA what happened to the funding formula, they say, "That dirty old OMB is holding it up." When you ask OMB about the holdup, they say, "BIA hasn't given it to us." We have not received any satisfactory answers. Perhaps you can.

Senator MURKOWSKI. OK, so it is a stalemate as far as you are concerned? Well, we can certainly get an answer.

Mr. TAYLOR. We have prepared questions we will be submitting to the agency to expand this record.

Senator MURKOWSKI. Have we made an inquiry previous to this on this question?

Mr. TAYLOR. No, we have not.

Senator MURKOWSKI. I assure you that that matter will be addressed, not only in questions that will be submitted to them during the hearing process, but I think it is appropriate that we get a letter off, and would ask that you request of the chairman of this committee his permission to have the staff—and my staff persons will assist—draft a letter to go out over the chairman's signature indicating our displeasure with the inability to resolve this thing, because it has been hanging around and we knew it was going to come down. To suggest that one guy is the bad guy over the other guy is not getting us anywhere.

Do you have any other recommendations specifically with regard to Johnson-O'Malley funds?

Ms. MARTIN. None other than restoration of funds into the budget.

Senator MURKOWSKI. We are going to have to do something about that because the realities exist that, because our per capita allocation is almost double that of students in the lower 48, the figures that I have indicate that this elimination would mean a loss of about $6,613,000 to Alaska's public schools.

Is that the figure? Do you agree with that figure?

Ms. MARTIN. That sounds like a good figure, Senator.

Senator MURKOWSKI. That is a good answer. You have obviously been before these hearings many times.

Do you have any specific questions that you want answered? I do not want to take any time from the testimony that is being given.

Mr. TAYLOR. No.

Senator MURKOWSKI. Sheila, Cathy, do either of you have anything specific that would help?

Well, if BIA suggests that these funds are available from "other sources," we have no identification of the source of those funds. Is that correct?

Ms. MARTIN. The BIA communications that we received stated that there were supplemental funds from the Department of Education and also the Department of Health and Human Services, but they did not identify the dollar amount.

Senator MURKOWSKI. Does the professional staff know of the existence of those funds and the ability of them to be transferred?

Mr. TAYLOR. No, we do not. I think it could be a subject of a follow-up question to the agency.

Senator MURKOWSKI. I think we have to determine whether those funds indeed are transferrable and available for this specific purpose, and we will do that and that will be a part of this record. I am just trying to figure out how we get there from here, because obviously, we have the problem of the Johnson-O'Malley funds, and you know where we are coming from on that. We must have those funds, and if it is the BIA or the OMB, it is a simple matter of identification. The need is there and the transfer has gone forward and has become a reality, and the consequences associated with that have to be funded as they have been in the past, so I guess that is one area that we must address.

No. 2, we have taken care of Hepatitis B.

The last one is the administration has recommended no new starts for Indian housing. Instead, the emphasis will be on rehabilitation of existing housing. Do you have any comments on the workability of this?

Ms. MARTIN. Senator, for our State we have a need for new housing in the small urban communities. Our problem is that we do not have an economic base, so consequently we would rely on Housing and Urban Development funds. If they were to cut these funds out, we will see more of what has occurred in the past, which is two, three, and four families living under one roof and sometimes even in one- and two-room houses. I would tie this into the health aspect of the community, so I would urge that the HUD budget also be very carefully scrutinized.

Senator MURKOWSKI. I do not have any other questions. Senator Stevens has questions that he would like submitted. He is returning from Alaska, and on his behalf I am going to just briefly read the two questions. You may respond as you see fit, or we would ask that since the record is going to be remaining open, that we can have a response to those.

You may be aware of this, but in a letter dated August 3, the Assistant Secretary for Public and Indian Housing, Warren Lundquist, assured Senator Stevens that HUD had requested $5.7 million out of an unexpended development fund in fiscal 1984 and 1985 Public and Indian Housing Amendment funds to perform needed repairs on 500 homes in Alaska. What we would like to know is if you have any knowledge of what has been done to date to obligate these reserve moneys and perform the necessary repairs, I guess.

Ms. MARTIN. I am aware of only southeastern, which has $5.2 million obligated for the rehabilitation of presently existing section 8 housing.

Senator MURKOWSKI. So that $5.2 million, in your opinion, comes out of the $5.7 million that is available.

Ms. MARTIN. Yes.

Senator **Murkowski**. That does not leave anything for the rest.

Ms. **Martin**. It does not leave anything at all.

Senator **Murkowski**. How was it all allocated to southeastern?

Ms. **Martin**. I really do not know and you know, Senator, I am not even positive that those are the same funds.

Senator **Murkowski**. We better check on that and find out what funds were allocated for southeastern, the $5.2 million. We will find out if they are part or separate, hopefully, from the $5.7 million that is in here now, and you will be advised.

The second question is, Assistant Secretary Lundquist indicated that Anne McLaughlin, Under Secretary of the Department of the Interior, had committed $1 million toward the repair of Alaska's 500 homes in light of the cooperative arrangements under which HUD and the BIA undertook the 500-home original construction project. What we are interested in knowing is, what arrangements have been made for the obligation of this $1 million? Obviously we have more than $5.7 million. We have $1 million plus maybe what is in addition to southeastern, and I think we had better have a clarification so we know what we are talking about.

Ms. **Martin**. OK, Senator. The funds that are in southeast that are sitting and waiting to be spent are JIEP funds. The acronym, I do not know.

Senator **Murkowski**. I do not. It is too bad neither of us know and here we are talking about it. Does anyone know what JIEP means? What is JIEP?

Mr. **Taylor**. I do not know.

Senator **Murkowski**. It is really terrible when the system gets down to the point where we are rattling off. We might be feeding canaries somewhere under CAP or something.

All right, for the record we want to know what that means and what it is, and what we are spending on it and where it comes from and who authorizes it. I apologize.

Mr. **Taylor**. Senator, we will be happy to work with your staff in putting these questions together.

Senator **Murkowski**. Well, I would like to be one of the first to know what JIEP means. Joint Indian Economic Planning?

Ms. **Martin**. That sounds good.

Senator **Murkowski**. Do you have anything else, Pat?

Ms. **Martin**. I will bring one more point forward, and that is the $2 million that is set aside for the Alaska Native Medical Center in Anchorage.

Senator **Murkowski**. The planning funds?

Ms. **Martin**. The planning funds. I cornered Dr. Rhoades in the hallway and tried to get a "yes-no" answer, and he informed me that he was going to check on these funds and that he thought that they had been broken loose. But, we have not received official notification that such an occurrence has actually happened.

Senator **Murkowski**. Do we know?

We have heard that Public Health has issued a release of the funds for planning. We will get a confirmation on that for you. Now that project is at the top of the list, as you know, but it is not funded.

Ms. **Martin**. Thank you, Senator.

Senator MURKOWSKI. I do not have to enlighten you, but what is happening around here is that we are having the budget process occurring, which is an examination of what has been proposed, and out of that we will have the input from people such as yourself who will indicate from their expertise what ultimately will have to change in the sense of recommendations and priorities. Of course, what happens each year—and it is happening more so—can best be explained, I think, by taking the dollar and making a pie out of it and recognizing where it has to go. Each year a greater chunk is going out for interest on the accumulated debt. This year 18 cents out of every dollar that the Federal Government spends goes for interest on the accumulated debt, which is now $1 trillion, $600 billion. The question that we are constantly asked is whether we are serious about trying to reduce the rate of growth of the deficit or whether we are just up here window-dressing. If we reduce the rate of growth of the deficit, that means you can only do one of two things. You either have to reduce Government services wherever it might be, or you have to generate more revenue by increasing taxes. That is just perhaps an oversimplification, but it is at least an accurate one of where we are. All programs, obviously, are justified, whether it be the defense budget or the strategic petroleum reserve or many of the social programs that we have in the country. It is just a question of the process occurring, the input of testimony, and from that comes whatever we are going to have. It is hopeful that whatever those figures are, in the sense of any agency that is receiving those funds, that we can hopefully pass them on with a little less overhead cost because more often than not the costs of distributing—particularly in the area of social programs—as much as 40 to 50 percent is lost in the bureaucracy, and we would hope that we could increase some efficiency in that area.

I do appreciate your testimony and your recommendations. You have come a very long distance. I am going back to Alaska tomorrow afternoon for a long weekend, at least 26 hours in the air, I guess. Thanks very much.

Ms. MARTIN. Thank you.

Senator MURKOWSKI. Have a good day, Caroline.

Mr. TAYLOR. We will return to the witness list and call for our next witnesses, Janine Windy Boy, president of the American Indian Higher Education Consortium, and Dean Jackson is accompanying her.

Ms. Windy Boy, if you want to proceed, please do.

STATEMENT OF JANINE PEASE WINDY BOY, PRESIDENT, AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM, ACCOMPANIED BY DEAN JACKSON, PRESIDENT, NAVAJO COMMUNITY COLLEGE, TSAILE, AZ

Ms. WINDY BOY. Thank you. The American Indian Higher Education Consortium sincerely appreciates the opportunity to testify today. We have submitted written testimony, and what I plan to do today is to verbally highlight that testimony to you for the record.

My name is Janine Pease Windy Boy. I am currently serving as president of the American Indian Higher Education Consortium. I am the president of Little Big Horn College in the State of Montana, serving the Crow Tribe of Indians. The Consortium represents the title 1 colleges of the Tribally-Controlled Community Colleges Assistance Act. There are 19 colleges funded under that act currently. There are six in Montana, four in North Dakota, four in South Dakota, two in Arizona—that includes Navajo Community College which is title 2 of the act—one in Wisconsin, one in Washington, and one in Nebraska.

The Consortium member-colleges represent a group of colleges which will vary in size from 450 full time equivalent [FTE] all the way down to 50 FTE. We are located primarily on the Plains of the United States but also, as I have listed before, there are a few others in other States. The oldest of the colleges under title 1 is now 14 years old. The youngest is about 6 months of age at Fort Belknap in northern Montana.

The Tribally Controlled Community Colleges Assistance Act has provided significant enabling funds for the support and operation of tribal colleges. It has provided a lifeline of support that is very necessary to our colleges.

I would like to highlight some of the successes from which we in Indian country are only just now beginning to appreciate benefits. Firstly, I would like to mention that we are very optimistic about the future of tribal colleges. Our enrollment is much larger than ever before and certainly outstrips the predictions that the Bureau continues to make in their budget preparations for the budget that you now have before you. We are very optimistic that by next year we will be looking at a 3,540 Indian student count, which is very much larger than the Bureau anticipates having in our colleges—by about 300. In some of our States the tribal colleges are actually serving 45 to 50 percent of those students who are studying in some field in higher education.

Mr. TAYLOR. Do you mean 45 to 50 percent of the Indian students there?

Ms. WINDY BOY. Indian students who are in higher education, that is correct. We do not educate children in elementary and secondary.

The placement of our graduates is showing remarkable successes as well. Many of the colleges report 85 percent successful placements. This refers to transfer into advanced programs of study as well as into full-time employment. This is in an environment where unemployment rates are very high—astronomical—and where general assistance is the lion's share of support. So, it is a very unusual kind of record to be able to see. In North Dakota our colleges have a very high completion rate and we are very, very successful in terms of placement of our graduates. I think in terms of what we look at nationally, the drop-out rate for completion in other colleges for Native American students is as high as 90 percent.

The colleges have established a real, viable alternative for reservation-located training and education, and for the majority of the adults who are enrolled in our colleges it serves as the only alternative. Many of our students are single parents. They are people who are not mobile, and it is a viable and affordable alternative.

Another point that I would like to point out is that we have been able to achieve a level of quality recognized by our peers in the general higher education community in the United States. As you know, the law requires each college to strive for accreditation as a part of maintaining eligibility. I am very, very happy to note to the committee to day that we now have 7 of the 20 tribal colleges fully accredited. Three more included in that seven were accredited this year: Salish Kootenai College in Montana, Standing Rock College in Fort Yates, ND, and Turtle Mountain Community College, also in North Dakota, serving the Turtle Mountain Chippewa. Eight others have achieved candidacy. Candidacy is the first step in accreditation. Two of those eight achieved candidacy this year: Little Big Horn College in Crow Agency, Montana, serving the Crows; and Sisseton Wahpeton Community College in South Dakota, serving the Sisseton and Wahpeton Sioux.

I would also like to note that the tribal colleges have a very specific purpose and mission to address the economic development of their tribes, very specifically designing training programs for the purposes that the tribes have designated as priorities.

Finally, the colleges do serve as a very unique environment where new and different ideas can be considered without reproach. Academic freedom and freedom of thought on our reservations is a new and, I think, very valuable kind of contribution that we are making to the reservations where our tribal colleges are located. I believe that the tribal colleges are making a very definite effort, in noting these successes, that we are developing the most valuable resources the tribes have, and that is the human resources.

While we are noting the successes, I must also say that the financial support that has been provided by the Tribally-Controlled Community Colleges Act through the congressional appropriations process has been on an incredible, if not dangerous, downswing. It places the network of tribal colleges, on a scan of all of the States in the Nation, at 51st in the support of community college education. By comparison, of the support of the FTE $3,400 is the median nationally for community colleges, while we are looking at $2,400 right now as our allocation for student support. In the State of Montana, for instance, where the Little Big Horn College is located, $3,500 is provided per FTE support.

This is a critical erosion of fiscal support. In the testimony that you have on record there is a chart that shows, despite the fact that our enrollment is growing, we have a line going up for enrollment and down for fiscal support. This erosion is very dangerous for our colleges because, while we are keeping up our end of the deal in terms of maintaining our quality of education through accreditation, we find it harder and harder to work those support dollars any further. It goes beyond the challenge of creativity and it goes beyond the challenge of thrift. Our dollars have been stretched year, after year, after year. While enrollment has increased in 5 years more than 70 percent, our per-student allocation has dipped 20 percent. Our curves are crossing and we are in serious danger of meeting a threshold which begins to challenge the quality of services that our colleges can provide.

The Senate Select Committee for Indian Affairs has been a stronghold of support and understanding and knowledgeability for tribal colleges. The American Indian Higher Education Consortium has always appreciated and understood that through visitation, through demonstrated commitment, the members of the committee have shown that we share the interest in higher education and development of human resources on our reservations. For that reason, we present as frank and accurate a picture to the committee as possible.

What we have done is assembled information on 3 fiscal years. First our concern is for the current fiscal year. The current fiscal year, 1985, finds us at the lowest student support level ever in the history of the tribal colleges. If our enrollments continue to grow, we are definitely in need of supplementary funding. We are asking that our funding level be brought to a respectable level of $3,000 per FTE. This will mean that the supplemental request that we would like to place before the committee as a recommendation be at $1,750,000.

The Bureau has done a major action of data distortion. In all frankness, the committee needs to take a sharp look at how accurate the student counts are and what information is provided. The Bureau has consistently portrayed a lack of advocacy on behalf of the needs of the tribal colleges. The Bureau apparently contends, through budget presentation, that FTE support can be as low as it is. It is our contention as member-colleges of the consortium that this is simply not a realistic picture, and that the Bureau simply lacks comparative data around the Nation to find that there is a serious erosion of support for our colleges.

You will notice on page 4 of the testimony that the BIA anticipated enrollment for this current fiscal year is 2,549, and yet our actual fall count is 277 more than that. With a ceiling appropriation, it means that we are reaveraging allocation every quarter. For some of our colleges, that means the loss of dollars in big amounts on a daily basis. This is serious to the stability of our colleges, even in the middle of the year.

Moreover, the Bureau anticipated, as I said, 2,549 FTE, but the consortium colleges feel that our projected enrollment is probably 2,900, a difference of 350. Once again, our appropriation will have to absorb that ever-increasing enrollment.

I would like to move to the fiscal year 1986. The title 1 colleges would once again ask your consideration of $3,000 per Indian student count. As you know, the amended version of the act in 1983 changed the student counting method from full-time equivalent to Indian student count. We project that enrollments will be 3,540 next year. This reflects a 10-percent increase added from the transition of counting method, and an 11-percent growth. You know that in our system we have noted some years of growth up to 18 percent. We feel that 11 percent projection is somewhat conservative, but I would like to note that the Bureau of Indian Affairs projects an 85 percent growth rate, which is most unrealistic. It simply does not bear out at all in the history of our tribal colleges. I have prepared for the committee a comparison of our AIHEC projections, the BIA budget projections, and those differences.

If we are held at a budget level that the Bureau has listed—that is, $6,950,000—we will find ourselves being supported at $1,963 per Indian student count, which brings us to an incredible insult to what is going on in the tribal colleges. This level poses a very serious question. If, in fact, there is commitment to the act, which there surely is—the Senate and the House passed that act not just a year and a half ago—the Bureau is turning around and making it virtually impossible for us to continue to provide quality educational services to our students.

There are two or three other things that I would like to mention for fiscal year 1986, and that is that the GSA has been charged by the new act, by the amendments, to do a study of facilities. The study is in a stalemate at this time. The Bureau of Indian Affairs has met with the GSA and the GSA has met with the Bureau of Indian Affairs. We have found that we are on dead center. We would request the committee to ask a question, as we have also: Whose responsibility is this? The Bureau did not include any money for this particular study, and neither did the GSA. Each is saying that the other is responsible, so we are in need of an answer to that critical question.

Technical assistance is also a listing, $265,500. And, finally, title 3 of the amendments provides for endowments for the colleges. In addition to operational dollars from 471, the colleges really need to develop other options. Endowments are a viable way that the colleges can be provided additional operational dollars. This particular fund in the act is a dollar-for-dollar match. This amount matches what the colleges predict they can raise as new money toward endowments.

Right after the fiscal year 1986 I have listed highlights of the act which impact the listings, and that is, Indian student count; the second thing is forward funding; the GSA study; construction costs; and the program of endowments. I am just restating for the committee, highlighting from the amended act.

Finally, because forward funding is a part of the act and because the slowness of appropriations provides an incredible level of instability for college planning and operation, we have projected what we will need for fiscal year 1987 for the information of the committee. We believe sincerely that forward funding will be of tremendous assistance to us in providing the stability that we need. So, we request that you consider the level of Indian student count support at $3,200; that we project an enrollment of 3,929, which is the 11-percent conservative growth rate. This also provides a projection for construction, given that GSA will complete a study. It is our projection that nine tribally controlled colleges will be accredited by fiscal year 1987. Then there is a listing for technical assistance and endowments, as you can see.

Finally, I would like to point out there is some wording in the budget that is provided by the Bureau of Indian Affairs which I feel needs some attention. There is a reference to the term "seed money." The question that this poses is that 95-471, as amended by 98-192, is something called seed money as opposed to "defraying operational costs" which is exactly the quote from the law. My question is, "seed money" is something that is to start something up and then set it afloat. Operational is something very much different than that. I think that the Bureau needs to be questioned on where they get that term, "seed money."

The second thing that I would like to note—and these are from pages 65 and 66 in the Bureau budget—"other funding sources." Right after "seed money" they refer to "other funding sources." In looking at the funding sources under which our tribal colleges operate, we find that the large majority of them are discretionary in nature and short term, for very specific and special purposes, and are not by any large contributions to the operational dollars that go to support the tribal colleges. Further, a lot of the things that are recognized by the Bureau are student financial assistance, Bureau of Indian Affairs higher education grants, all of which are directed to students. They are student-focused.

Finally, I would like to point out that the rules and regulations for the amended form of the act are apparently not making any progress. We would like to note as tribal colleges that the Bureau has prepared the rules and regulations but they have been prepared and on record, at least in terms of in its entirety addressing all of the parts of the act, for almost a year, and they have gone nowhere. We would like to request assistance from the committee to check into expediting this process, because there are many very important aspects of the amendments that the tribal colleges wish to realize before the act expires. With the rate of progress the Bureau is making on those rules and regulations, we may not realize the act until it has gone out of authorization.

Once again, I would like to thank the committee very much for the time that you have extended to the American Indian Higher Education Consortium. We surely appreciate your continued attention toward the growth and development of tribal colleges.

I am joined today by Dean Jackson of Navajo Community College, who will comment on title 2.

[The prepared statement follows:]

Prepared Testimony of the American Indian Higher Education Consortium, Submitted by Janine Pease Windy Boy, President

Honorable Members of the Senate Select Committee for Indian Affairs, I am Janine Pease-Windy Boy, President of the American Indian Higher Education Consortium. Also, I serve as President of Little Big Horn College, the tribally controlled college of the Crow Tribe of Indians, in Montana. The testimony that I present today is that of the member colleges of the American Indian Higher Education Consortium.

The Consortium has membership among the tribal colleges of the United States: State of Montana—six; State of North Dakota—four; State of South Dakota—four; State of Arizona—two; and States of Wisconsin, Washington, Wisconsin and Nebraska—one each.

The Consortium member colleges range in age from 14 years to 6 months since the charters were established. The largest college has an enrollment of 450 full time equivalents (Oglala Lakota College) while the smallest enrollment is at 50 Full time equivalents (Cheyenne River Community College). The tribal colleges have evolved into comprehensive colleges providing sophisticated training to meet both traditional academic and developmental needs of their respective tribes.

The Tribally Controlled Community Colleges Assistance Act of 1978, and amended in 1983 has enabled significant operational support for 19 tribal colleges under Title 1 of the Act. Title 2 supports Navajo Community College of Arizona. This testimony represents the views of the Title 1 Colleges; The President of Navajo Community College will present testimony on Title 2 concerns.

The yearly appropriations for Public Law 95-471/98-192 have provided a life line of support for the Title 1 Colleges. The successes which are historic and certainly milestones in Indian post-secondary education are:

(1) More students than ever before are enrolled in the Tribally Controlled Community Colleges; an average growth rate of 11% has brought enrollment from 2,087 FTE in 1982 to 2,900 FTE projected for this year. Next year it is projected that the enrollment will climb to 3,540 Indian Student County. In Montana 45% of all American Indian students in higher education are enrolled in the tribal colleges.

(2) Placement of graduates in jobs and advanced programs of study has shown the viability of the education tribal members gain through their learning experiences in Tribal Colleges. Rates of graduate placement average at 85%. This is especially noteworthy in the Reservation environment where unemployment rates hover at 80%.

(3) Establishment of post-secondary education as a real alternative for American Indian adults. Isolation and poverty have blocked out many American Indian adults from progressing into higher education; the tribal colleges provide academic and vocational training at commuting distances and at affordable costs.

(4) Seven of the Tribal Colleges have achieved full accreditation. Three more have succeeded in this stringent peer review this year, by regional accrediting agencies: Salish Kootenai College, Northwest Association of Schools and Colleges (Salish and Kootenai Tribes); Standing Rock College, North Central Association of Schools and Colleges (Standing Rock Sioux Reservation); and Turtle Mountain Community College, North Central Association of Schools and Colleges (Turtle Mountain Chippewa).

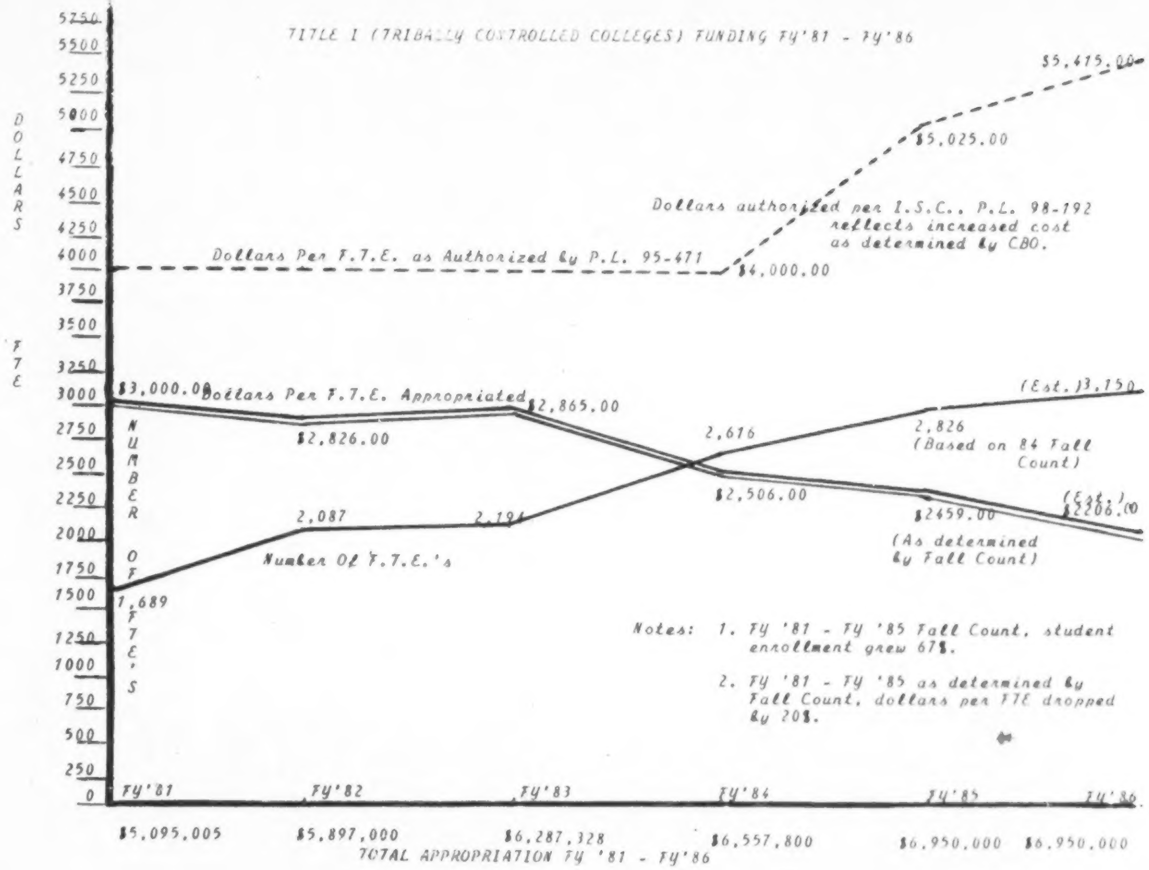
A total of eight of the Tribal College have achieved the first step in accreditation, that of CANDIDACY FOR ACCREDITATION. Two of the eight are new to this status this year: Little Big Horn College, Northwest Association of Schools and Colleges (Crow Tribe of Indians); and Sisseton Wahpeton Community College, North Central Association of Schools and Colleges (Sisseton and Wahpeton Sioux Tribes).

(5) Reservation specific training and academic program of study are among the offerings in the Tribal Colleges, lending strength to the economic development on the respective Reservation.

(6) The establishment of a learning environment which nourishes inquiry without reproach is a purpose which the Tribal Colleges have accomplished. Coursework in Tribal Studies have offered students unique opportunity for comparative learning experiences in inter-disciplinary fields.

Mr. Chairman, the Tribal Colleges are hard at work developing the most precious of all resources, the human resource of our Tribes.

While our successes are remarkable, and our future role is crystal clear, the record of financial support for the student enrollment places the Tribal College system, the Title 1 Colleges in a precarious posture when compared with national data on operational support among community colleges around the nation. By 1983 Data from the Chronicle on Higher Education, the network is 51st where the Tribal Colleges a State system of colleges. The median per student support by 1982 data from the National Association of College and University Business Officers is $3400/F.T.E. The Title 1 Colleges are now at $2490/F.T.E. The State of Montana reimbursement for Community College F.T.E. is $ 3500/F.T.E. These differences point out the erosion of fiscal support which has happened during the past several years. The Consortium has prepared a chart of two critical measures of Tribal College operations. The first measure is student enrollment and the second is the per student allocation. The chart is attached for your review. This chart illustrates the contrasting movement in these measures:



TITLE I (TRIBALLY CONTROLLED COLLEGES) FUNDING FY'81 - FY'86

Notes: 1. FY '81 - FY '85 Fall Count, student enrollment grew 67%.

2. FY '81 - FY '85 as determined by Fall Count, dollars per FTE dropped by 20%.

STUDENT ENROLLMENT HAS INCREASED WHILE STUDENT SUPPORT HAS DECLINED SHARPLY

This sharp decline in fiscal resources has placed pressure on every operational dollar. The Colleges operational support at this level places a straight jacket on the continued educational quality required to maintain accreditation. The faculty, staff and administration through the Tribal Colleges have made enormous sacrifices in time, effort and salary levels to contribute to the achievement of accreditation. Yet, the constraints of shrinking student support seriously undermine the progress accomplished by the Tribal Colleges.

Mr. Chairman, the Tribal Colleges are facing severe survival conditions. These conditions are at a point where a mere dollar can be stretched no further, either by thrift or by creativity. We have reached a threshold beyond which will cause significant loss of education quality. The Senate Select Committee for Indian Affairs has been a consistent stronghod of insight and knowledgeability in the development of the Tribal Colleges. From the Colleges inception, Committee members have taken the time and attention to visit and become acquainted with the Colleges and their growth. Moreover, it is clear that Committee members share with the Tribal Colleges and their respective tribes a deep commitment to the potential of the College to the American Indian student and its contribution to the Reservation environment.

The Colleges of the American Indian Higher Education Consortium herein present the appropriations requests for fiscal year 1986 and 1987:

Fiscal year 1985:	
Supplemental appropriations needed	$1,750,000
Actual amount appropriated for title 1 less 2% across the board reduction	7,044,000
Current listing for title 1 at a projected 2900 FTE, the FTE support will be $2,356.00/FTE.	6,950,000
Amount needed to bring FTE support up to $3,000.00/FTE	8,700,000
Less	6,950,000
Total	1,750,000

The Title 1 Colleges have received contract amendments reflecting actual Fall FTE, for an allocation of $2,459.00. With projected final enrollment, allocation will be $2,356.00 for 2900 FTE.

The BIA anticipated enrollment for fiscal year 1985	2,549
Actual fall FTE Enrollment fiscal year 1985	2,826
Difference	277
The BIA anticipated enrollment for fiscal year 1985	2,549
AIHEC projected enrollment for fiscal year 1985	2,900
Difference	351
Fiscal year 1986: Title 1 colleges	$10,620,000

Amount needed to provide $3,000.00/Indian Student Count for AIHEC project enrollment of 3,540 I.S.C. This projection includes transition from FTE student counting method to ISC at:

1. factor of 10 percent increase of FTE count.
2. factor of 11 percent growth in overall enrollment.

AIHEC Data Compared to BIA Data as presented in the President's Budget:

With AIHEC enrollment projections at 3,540 ISC, the per student allocation is $1,963/ISC.

Title I construction	$250,000
Amount needed for the SGA study of college facilities to determine construction needs.	
Title I, technical assistance	265,500
Amount needed for $75/ISC for Technical Assistance, 3540 ISC × $75/ISC = $265,500.00	
Title III endowments	1,500,000
Amount needed according to estimates from Colleges FY 1986 potential matching endowment funds	
Total request	12,635,500

NOTE.—Several aspects of Public Law 95-471 as amended by 98-192 impact the appropriations process for Fiscal Year 1986 and 1987:

Title I, Section 2 (a)(7), calls for INDIAN STUDENT COUNT, a counting method on the basis of credit hours of all Indian students divided by 12, with summer term added on to the Fall term count, and continuing education units. This student counting method results in totals 10% greater than the previously used method.

Title I, Section II. (b)(7), requires FORWARD FUNDING, such that appropriations can be available for obligation on July 1 of each year, through September 30 of the following year. Also, that the transition shall be made by an appropriation act to the same fiscal year, containing two separate appropriations. FORWARD FUNDING provides the tribal colleges stability in fiscal practices and in planning.

Title I., Section 113. (a), provides for G.S.A. to study the College facilities to determine construction needs.

Title I., Section 113(a) & (c) provides grants for construction not to exceed 80% of construction costs and that no tribal college be required to expend more than $400,000.00 in fulfilling the portion of such construction.

Title III., Sec. 302, (a), establishes a program of endowments, and from amount appropriated, allocation to each tribal college on a dollar for dollar match, not to exceed $350,000.00.

Fiscal year 1987:	
Title I colleges	$12,572,800
Amount needed to provide $3,200/ISC for Tribal Colleges enrollment projected at 3,929 at 11% growth rate.	
Title I, construction	10,000,000
Anticipated nine (9) Tribal Colleges to be fully-accredited by FY 1987: Blackfeet Community College, DQU, Dull Knife Memorial College, Nebraska Indian Community College, Oglala College, Salish Kootenai College, Sinte Gleska College, Standing Rock College, Turtle Mountain Community College.	
Title I, Technical assistance	294,675
Amount needed for $75/ISC for Technical Assistance	
Title III, Endowments	1,500,000
Total request	24,376,475

The American Indian Higher Education Consortium extends to the Senate Select Committee for Indian Affairs of the United States Senate, sincere appreciation for the time provided for the delivery of this testimony. The Consortium member colleges are interested to provide any further information and data which may be required by the Committee in these appropriations procedures.

Mr. TAYLOR. Thank you for a very comprehensive statement. I think our special counsel, Jane Wrenn, will have some questions, but first I would like to hear from Dean Jackson and then Jane could have questions for both of you.

STATEMENT OF DEAN JACKSON, PRESIDENT, NAVAJO COMMUNITY COLLEGE, TSAILE, AZ

Mr. JACKSON. Thank you. I am honored and pleased to be here to make a report to the committee.

As a title 2 school, I concur and acknowledge and support the testimony, concerns, and problems stated by Ms. Windy Boy. I would like to specifically cover the concerns and problems and progress and achievements made by Navajo Community College in the last 16 years of its existence.

In 1971, Public Law 92-189 was passed for Navajo Community College which provided construction and operation funding. It stated that the level of funding to Navajo Community College was to be comparable to post-secondary institutions operated by the Bureau of Indian Affairs. Public Law 95-471 replaced or amended the original Navajo Community College bill in 1978. Now this legislation provided funding on a formula basis or full-time equivalent [FTE].

In 1980, Navajo Community College's appropriation was cut from $6.4 million to $3.1 million, about 60 percent reduction. Through various cost-cutting measures we have been able to survive, so between 1980 and 1984 Navajo Community College experienced a negative fund balance of about $700,000. We think this is pretty good management because we could have been in the hole $3.3 million.

We have begun to survive the drastic cut of 1980. In 1984 the Congress or the Federal Government increased our appropriation to $4.4 million. The Navajo Tribe gave us $1.5 million. Thinking that this was a trend toward a stable funding, we devised our programs accordingly, but in the 1985 budget Congress cut us back $603,000. The Navajo Tribe cut us back $300,000, for a total cut of $903,000.

In the 1985 budget of Navajo Community College we slashed $300,000, but this is hardly enough to realize a balanced budget for the current operation. The $3.8 million that the Federal Government gave us is going to last maybe through April. There is not going to be enough money to complete the academic year, as well as the fiscal year.

Subsequent to the 1980 implementation of Public Law 95-471, we lobbied here on the Hill and were successful in passing Public Law 96-374. This legislation put Navajo Community College back on a needs basis, but the rules and regulations for that legislation have never been developed and never been implemented, although Navajo Community College submitted its recommendations.

Last year, in December 1983, Public Law 98-192 reauthorized 471. This legislation also concurred with the original 1980 legislation, 374, in putting Navajo Community College on a needs basis, but the current budget as stated by the administration for 1986 still puts Navajo Community College on FTE, which has expired as far as we are concerned. The rules and regulations have never been developed for the two legislations, and somebody reported this morning that when you go to BIA about the rules and regulations they blame it on OMB, and OMB blames it on the BIA, so that is where we are.

What we are asking for is restoration of $603,000 in the 1985 budget. For the 1986 budget we are asking for $5.8 million because there have been two site visitations made by BIA to Navajo Community College in assessment of their needs, as to how Navajo Community College's funding level can be established. The original visit was 1981 but there was no recommendation until 1982 or 1983 based on that visitation. The recommendation was that Navajo Community College be at the level of $5.8 million in 1983. That recommendation has not been followed up, and we are still being funded based on an expired FTE formula.

I would also like to mention that within the last 2 weeks the BIA review team or evaluation team was on our campus again, to determine the needs of Navajo Community College. I was hoping that BIA would make its report this morning and provide some kind of report on their visitation and recommendation on Navajo Community College's funding level, but as you know they did not report on the education portion.

This is our concern, and I would like to conclude by saying that the new legislation provides funding for summer school. In 1984 we provided summer school, and we are going to provide summer school again this summer some way. However, the student count from summer school was never included in the count from 1984 for the 1985 student count toward funding.

The Education Committee of the Navajo Tribe has passed a resolution concurred in by the Navajo Tribal Council in its education policy of 1984, where they have identified Navajo Community College as an entity that is going to coordinate all of the post-secondary courses and programs offered on the Navajo Nation. Now this is a big order. It shows the confidence of the Navajo Tribe for the Navajo Community College. To bring about this mandate, Navajo Community College has been working with surrounding universities and colleges such as Northern Arizona University, University of New Mexico, Arizona State University, and Utah schools, to develop an articulation program which would bring about a system, a network of education development and delivery of programs to the Navajo Nation.

I also want to cite a statistic that there are between 3,500 and 4,000 Navajo in higher education. Each year, each semester Navajo Community College has an enrollment, not FTE but bodies, which numbers around 1,500, so we are addressing about half of the Navajo higher education problems. Therefore, this is our growth and this is why we appear before you, to give us an adequate funding to address the higher education goals of the Navajo people.

I would like to conclude by saying I am in total agreement with—I think it was Senator Andrews that said this morning—we ought to consider education as an investment, not as an expenditure. That is my position. I thank you very much.

Mr. **Taylor**. Thank you, President Jackson. I turn to Jane and ask whether she has some questions. I would like to introduce also Mike Mahsetky, our staff attorney who also handles education. Mike and Jane have some split responsibilities but Mike may have a question or two also.

Ms. **Wrenn**. Most of my questions will be addressed to Ms. Windy Boy on title 1. I understand that Senator DeConcini will be submitting some questions on title 2, specifically Navajo College. We have submitted questions this morning to the Bureau on tribal colleges, although Senator Andrews was not able to get to it in the hearing.

First of all, Janine, every single year, whether we call it FTE or ISC, there is a vast difference between the Bureau's total count and what AIHEC brings forward. Do you have any idea why? It is very difficult when you have two distinct sets of figures.

Ms. **Windy Boy**. Ms. Wrenn, I think that it reflects a choice on the part of the Bureau of Indian Affairs to show a status quo. I think it probably serves the purposes of budget parameters or whatever. What has happened is that our projections are within 1 percent of accuracy. Their projections never show up again in their documentation. If you look at the chart of what is presented in the budget, you will see that they have actual figures but they do not go back to say, "Well, we projected thus and such in a particular fiscal year as compared to the actual," and we have been well over the prjected count for quite some time. It is a choice. I think it is a choice they make.

Ms. **WRENN**. Your testimony brings up one State, specifically the State of Montana's support for community colleges. Could you provide for the record a breakdown of the States that have tribal community colleges and a community college system, and what their FTE or count is and how they count their students, for those States where we have the tribal colleges.

Ms. **WINDY BOY**. The Consortium would be glad to answer that question. We are consulting with the American Association of Community and Junior Colleges, and we are hoping to provide the committee with some very definite comparative data. That has been the problem, I think, in working with the Bureau of Indian Affairs. While they are not largely an agency for higher education and their expertise is demonstrably limited, we do hope that we can verify the fact of what kinds of operational dollars are needed to support student attendance, enrollment.

Ms. **WRENN**. One thing that also raises its head every year is the question of whether or not the colleges are charging tuition to their students. You might add something also, Dean, on your school. Do you charge tuition, and how do you arrive at that figure?

Ms. **WINDY BOY**. The colleges all charge tuition. The colleges base their tuition on the board of trustees' assessment of what can be logically charged of students on the reservation. The level of tuition ranges, depending on what those boards of trustees feel represents their tribal situation. I think that the base tuition probably is $15 per credit. It goes all the way up to probably $50 per credit among the different colleges, but it is largely based on an economic assessment of how capable the students are who are enrolled in paying that level of tuition.

Mr. Jackson may want to comment.

Ms. **WRENN**. Dean?

Mr. **JACKSON**. Navajo Community College had never charged tuition to Indian students until this year. We charge $30 per credit hour. This is comparable to surrounding colleges, and we waive two-thirds of that, so they pay $10 per credit hour.

Ms. **WRENN**. Thank you. One of the reasons I asked this is, it has come to the committee's attention that the Bureau of Indian Affairs has been discussing something called "satisfactory progress" in terms of those students who will be receiving higher education grants. It appears that, although the Bureau is not quite specific, that if a student does not maintain a "C" or better average, the Bureau intends to pull their grant.

Ms. **WINDY BOY**. We have heard those remarks. It may be in reference to the Inspector General's report, that is as a result of an audit that was performed on eight of the tribal colleges last year. Their remark is based on what they called—these are the auditors from the IG's office in San Francisco—what they called "a lack of satisfactory progress" that they noted in auditing transcripts. They stated something to the effect that 14 percent of those credits registered for were not completed at the end of the term.

If Native American students across the country had a record of completing 86 percent of the credits that they registered in, we would have hundreds and hundreds of college graduates among our numbers. That particular percentage is something that we are attempting to gather comparative on from AACJC, and we would be happy to comment on that with comparative data to the committee.

Ms. **Wrenn**. I just want this thing tight when appropriations hit. You understand that.

One other thing: We addressed a question about the endowment funds to the Bureau in a staff briefing last week. The colleges are not the only ones to hear, "It is at GSA" or "It is at OMB" or "It is at the Bureau." We have submitted a question directly asking what is going on, and we are taking a look at what we can do in terms of the planning in the construction and renovation area to push GSA out there. GSA is arguing. It appears to be that they do not have the dollars.

In terms of the endowment funds, I note that you have $1,500,000 projected for both 1986 and 1987. Would that be approximately three schools each year or——

Ms. **Windy Boy**. No, that is a figure that was collected from the Consortium members. They projected what they felt they could identify as new endowment contributions. That does not reflect literally three institutions.

Ms. **Wrenn**. The reason I asked is, that number three was floating around with the Bureau, so I just want to get it on the record.

The other thing is, on the term "seed money" or "other sources" which has also flown in the face of the last couple of years, I would appreciate it if AIHEC would get together some information on what schools receive title 3, exactly what they are supposed to be doing with it, and an explanation of how it differs from operational expense money.

Ms. **Windy Boy**. The Consortium would be very happy to provide that information to the committee.[1]

Ms. **Wrenn**. That is it. Thank you very much.

Mr. **Taylor**. Thank you both very much.

President Jackson, I assume that you will be working with both Senators DeConcini and Goldwater on your particular problem. We have not pursued it too well with questioning here today, but I certainly thank you for your statement and we will be working with their staff on this problem. Thank you very much.

Ms. **Windy Boy**. Thank you very much.

Mr. **Taylor**. Our next witness is Gay Kingman, director of the Pierre Indian Learning Center in South Dakota, accompanied by John Forkenbrock.

Please feel free to proceed.

---

[1] Not recieved at time of printing.

STATEMENT OF GAY KINGMAN, SUPERINTENDENT, PIERRE INDIAN LEARNING CENTER, PIERRE, SD, FOR THE ASSOCIATION OF CONTRACT TRIBAL SCHOOLS (ACTS), ACCOMPANIED BY JOHN FORKENBROCK, ACTION, INC., WASHINGTON, DC

Ms. KINGMAN. It is an honor to present testimony to you today. I am going to summarize what is presented for the record, and then take any questions you might have. Mr. Forkenbrock, the legislative lobbyist for the ACTS will assist in responding to any questions that you might have

First I would like to begin with some of the success stories with contract schools. There have been some recent questions and inquiries concerning the effectiveness of programs for the contract tribal schools, and I would like to tell you some of the positive things that are happening with contract schools.

For example, the Ojibwa Tribal School in Belcourt, ND, has submitted some comparative analyses on test results. On the spring 1984 SRA Achievement Test scores in grades K through B, as compared to BIA schools in the area, the contract school has on the average achieved 9 national percentile points higher than the BIA schools in that surrounding area.

The Pierre Indian Learning Center in Pierre, SD, operated under a 638 contract by 15 tribes, has an Explorer Scout troop that conducts the bighorn sheep census count and other wilderness area surveys for the Park Rangers. The Explorer Scout troop is the largest in that State. Also last year they received the Tom C. Clark Award, which is a national award that is only given to up to 20 scout troops in the whole Nation.

Rock Point, AZ, another contract school, administered the CAT test scores to their students, which are also the test scores used by the State of Arizona, in the spring of 1983. Some of the results of that, for example, in grade 12 the Rock Point students outscored all of the students that they were compared with. The breakdown on that would be, compared with Chinle public schools, Rock Point scored significantly higher. They scored very significantly higher than all of the Arizona Navajo schools and they scored higher than the schools where all Arizona Indian tribes attended. For the record, there is a test score result from the 1983 achievements that is attached.

The contract schools are finding that the education they are providing the students is very successful. We are beginning to get test results that indicate the students and the education that they are getting is significantly higher than the surrounding schools.

Another contract school, the Sac and Fox Settlement School located in Iowa, first was contracted in 1981. Since that year they have almost doubled in size and they have increased one grade level. There has been a considerable amount of interest in the education of the children by the entire tribal group.

Marty Indian School: Many people might have read about this in the paper, fairly recently. There was a national award given, and the State of South Dakota bestowed an honor award on this. On January 11, 1985, Sgt. Todd Zephier was killed in a military accident in Germany. Sergeant Zephier was a 1980 graduate of Marty Indian School on the Yankton Sioux Reservation in South Dakota, another contract school. While in school, Todd received various awards, including the award for academic excellence for two years in a row. He received the Elsie B. Carey Award for character. He attended the Presidential Classroom for Young Americans here in Washington, DC. He won various athletic awards. He was homecoming and prom king and also valedictorian. Todd exemplified the Marty spirit of caring and effort. He also is only one example of students who attend contract tribal schools from across the Nation.

Another example of a student attending a contract school is Lima LaPointe, a 1983 graduate of St. Francis Indian School on the Rosebud Sioux Reservation in South Dakota. She has been in student government. She has achieved in community service work, athletics. She was State discus champion for 2 years. She attended Phillips Academy for two summers in Hanover, MA. Her grade point average throughout high school was 3.7, and she was valedictorian during graduation. Currently she is attending Mary College in North Dakota, where her grade point average is still at 3.0. She is another example of students attending contract schools.

Yet our students, as defined by BIA-funded studies, are attending school in "antiquated, dilapidated, deteriorated, structurally unsound, functionally inefficient and 'tired'" school buildings. With all of the successes of these students in the schools that I have just mentioned, it puzzles the Association of Contract Schools as to why the Bureau has proposed some significant budget changes. I will summarize some of the budget changes that we are very concerned about.

One of them is the Bureau budget justification where they cite Public Law 95-561 and they talk about Indian control of Indian affairs, and yet on the same page they have established a maximum amount which each school can use from funds appropriated for school board expenses. Contract schools are governed by Indian boards of education. We are practicing 63B Indian self-determination, yet the Bureau is proposing a maximum amount for school board expenditure. For example, the Bureau would place a ceiling on spending, in a school with 250 students, of $3,300. This is not enough for our school boards to use.

Let me give you an example of what a five-member school board would use. If a school board told 5 members and they met 10 meetings at approximately $70 per meeting—this would include mileage and per diem—it would average out to be about $3,500. Then there are national organization fees that our school boards belong to. This would come up to about $1,500. Legal fees—and, as you know, our school boards do need this category—this would be an amount of $2,000 per year. This brings it up to about $7,000, way over the amount the Bureau is proposing.

Another thing that is left out is, the Bureau is not addressing unique situations such as the situation of the Pierre Indian Learning Center which I am associated with. My board of directors is made up of 15 tribes from 3 different States. In order for my board of education to meet on the children from those 15 tribes, we must bring them in from 3 different States. They meet a minimum of eight times a year and a travel budget for one meeting is around $3,000. This would take the total budget that the Bureau is proposing for 1 year, so I would strongly recommend that the uniqueness of each contract school be scrutinized and paid much attention.

I guess the bottom line would be that school boards are exercising local control and self-determination, and it does not seem that the Bureau wants to relinquish their own control. Therefore, we would recommend that school board expenses be left as a local decision, including the funds for school board training.

As far as ISEP, the Association of Contract Tribal Schools is very happy that the Bureau has reflected an increase per weighted student unit in the budget. That is certainly needed. We are happy to see that the request is up to $1.7 million in the transportation area. However, the Association of Contract Tribal Schools feels that this is still too low. The Association of School Bus Transportation recently conducted a national study on transportation, and their recommendation is that transportation should be at least $1.61 per mile. The Bureau's figure is $1.38, so I would recommend that for 1986 the Bureau should give strong consideration for still increasing the budget transportation percent.

As far as the budget and the educational standards, the Bureau has put in a $1.9 million line item for implementation of the educational standards. I recognize that Public Law 95-561 mandates educational standards for Bureau schools only. We contract schools have long sought accreditation and our own standards. Many of us are already accredited by State departments of education. This also means that our staff are fully certified. At this point I do not know what percent of contract schools are fully accredited but I would be happy to furnish that for the record at a later date. Some of us have recently become State-certified. The contract schools have moved faster toward accreditation than Bureau-operated schools.

Public Law 98-511, which passed the Congress last year, contained a provision mandating that contract schools within 2 years be accredited or a candidate for accreditation or be in compliance with Bureau-operated school standards. We have no problem with that but we feel contract schools should be given some additional financial assistance to meet our goals of total accreditation.

I would like to address, also, the moratorium that was put on H.R. 11—Public Law 98-511. This matter has become an issue within the contract school community and the association. Although 511 was passed last Congress, because of language contained within the 1985 Interior appropriation bill, the Bureau cannot begin implementation until certain problems as perceived by the Senate Appropriations Committee are clarified.

I would like to ask the committee, on behalf of the Association of Contract Tribal Schools, to request that the committee provide the Senate Appropriations Committee any assistance they need to move this matter along. This entire delay, in our opinion, is ridiculous. The legislation is intended to help move the Bureau into the 1980's by granting the Bureau-funded schools a more rational method of operating and administering their schools. ACTS calls upon the Senate Select Committee on Indian Affairs to hold immediate hearings on this subject and to help begin implementation of Public Law 98-511.

On contract moratorium: The 1985 appropriation bill also contained a moratorium on contracting. This represents, in our opinion, a major blow to the concept of Public Law 93-638, and we again call upon the committee to investigate this issue through the hearing process. We do not argue the fact that there may be a need for guidelines to the contracting of new starts but, as the organization representing contract schools, ACTS would like to participate in the establishment of such guidelines. The actions of the Appropriations Committee in last year's appropriations bill were based on no deliberations with tribes or contract schools. Again, we hope and urge your committee to look into this issue.

Last year the Association of Contract Tribal Schools called upon Congress to include forward funding in the 1986 appropriation bill. Last year the other body did instruct the Bureau to submit in the 1986 budget a forward-funding request, but the Senate did not. Mr. Chairman, it only makes sense. We would finally be on par, administratively, with public schools across the country if we could have forward funding. We could begin to conduct spring budget planning, sign teacher contracts, do curriculum planning, all of the things that need to be done prior to the start-up of school. As it is now, we never know when or how much our final allocation of ISEP dollars will be. Forward funding is greatly needed.

On December 4 we were notified of our final allocation. December 4, 1984, is much too late. It has improved somewhat from last year but the best answer for contract schools is still forward funding. My school received the advice of allotment just two weeks ago, and this still is February, so it is still very, very late.

Facility improvement and repair: As you know from reading the budget justification, the Bureau is requesting no funds in 1986 for education construction. According to the justification, this subactivity has shifted primarily from building new facilities to improving and repairing existing facilities. If this is to be the approach the Bureau is going to follow, the $37,490,000 requested is just not enough. The Bureau estimates an $80 million backlog just in underground utility system repair. One figure quoted us recently was a backlog of $100 million. Whether this included underground utility system repair I do not know, but it is clear there is an inadequacy of dollars coupled with a confused system of FI&R project prioritization.

This makes the program one of the most confusing within the Bureau and the Department. For those of us in the field, it seems like FI&R goes to whomever makes the most noise or, as I was informed fairly recently, it is the squeaking wheel that gets the grease. Again, H.R. 11 attempted to put some sense to the prioritization of FI&R projects. This is an area which needs a lot of congressional scrutiny and we think as a committee overseeing Indian programs you should look carefully into this entire process.

One other point: Not meaning to sound repetitive but pertaining to forward funding, last May the Clarey Institute released a report regarding self-determination, a report which was requested by the Assistant Secretary of the Bureau of Indian Affairs. That report, in recommendation number 12, supported forward funding as a sensible method of administratively operating tribally run programs.

There are some other issues the Association of Contract Schools does have pertaining to the fiscal year 1986 budget, such as indirect costs, operation and maintenance needs, to name just a few.

H.R. 11 attempted to place contract schools on a par with Bureau schools in terms of receiving comparable dollars to operate our schools. I have already alluded to the fate, to date, of Public Law 98-511, but unless the Senate Select Committee takes the lead in this Congress to look into some of these problems, the same thing will occur.

The Association of Contract Tribal Schools is hopeful that you will invest the time and energy to gather the data to help us address some of our very real problems. Thank you for allowing the Association of Contract Tribal Schools the time today to testify, and we stand ready to cooperate with the committee at any time.

[The prepared statement follows:]

PREPARED STATEMENT OF THE ASSOCIATION OF CONTRACT TRIBAL SCHOOLS, SUBMITTED BY GAY KINGMAN, SUPERINTENDENT, PIERRE INDIAN LEARNING CENTER, PIERRE, SD

Mr. Chairman and members of the Committee there has been recent questions, studies and inquiries concerning the effectiveness of programs being operated by tribal school boards. We would like to share with the Committee some success stories.

The Ojibwa Tribal School in Belcourt, North Dakota has recently completed a comparative analysis of their Spring 1984 SRA Achievement Series test scores which reveals some interesting data. Their results in grades K-8, as compared to other BIA Schools in the area, are on the average 9 national percentile points higher. Their composite scores (Reading, Math and Language Arts) for the total school population in the Spring of 1984 was at the 43rd percentile. Twenty-three percent of all of their students were above the 86th percentile. Basically when a student scores above the 38th percentile they are at or above the national average range. This national average is a norming group which represents a middle class America as opposed to reservation America.

The Pierre Indian Learning Center in Pierre, South Dakota is operated for 15 tribes in the Aberdeen Area. Their student population is approximately 160, ranging in ages 5-17. They have been operating a Scouting Program for many years and have the largest Explorer Scout Troop in the State. In 1982, they entered into an agreement with the Badlands National Park to assist the Park in conducting the annual Big Horn Sheep Census, wilderness area surveys and other projects in exchange for the use of free park resources. Individual scouts have received certificates, badges, and other recognition awards from the Park Service. Last Spring Post 279 was the "Park Staff of the day". The troop has led area scout troops and Civil Air Patrol Squadrons on hikes in the Badlands and this year they will be doing the same for troops and squadrons from other states. Also, last year, Post 279, Wambli Zi (Golden Eagle) received the Tom C. Clark Award which is a National Award for outstanding service to the community or the area. Fewer than 20 scout units receive this award yearly.

Wishing to see how its own students compared with those in nearby public schools, Rock Point administered CAT tests which the State of Arizona uses in the Spring of 1983. While they are certainly not conclusive, these results raise some important questions about some of the "conventional wisdom" concerning Navajo education.

They call into question the presumed academic superiority of state-operated public schools for Navajo and other Indian students. While it may be true, elsewhere, that some Indians are "doing better" in public schools, this probably has more to do with pre-entry factors than what these schools themselves do to and for the students.

The results also call into question the efficacy of credentialing to insure quality in Navajo and Indian education. State standards in the superintendent's office, accreditation in the principal's office, and certificates in each teacher's classroom do not magically cause or effect academic achievement.

The Rock Point community saw the Indian Self-Determination Act as an act of faith that Indian parents are able to recognize improvement in their child's education, will not knowingly vote against their own child's interests, and can learn, a century late, to operate schools. They see the current push for "standard-ization" of community-run contract schools as a repudiation of that faith, one that would allow the boards of so-called community-controlled schools to select only "certified" employees to operate "accredited" programs according to Bureau and state "standards."

GOOD NEWS

Rock Point Community School holds 'parent teacher conferences' for two classes at a time each week for a number of weeks each Fall and Spring. As all but two of the elementary teachers, and more than half of the secondary teachers, are Navajo, interpretation is not the problem it might be in other Navajo schools.

Participation in such conferences has exceeded 85% in recent years. While we have no comparable data for bureau or public schools, 'lack of parental involvement' has been a perennial complaint on the Reservation. The so-called biglin report of some years ago found that just 17% of the Reservation public school parents had attended a school-sponsored meeting (such as PTA) within the last year.

Parents will come to meetings at the school if they feel that there participation makes a difference for their child (ren).

The Sac and Fox Settlement School located in Iowa was contracted in 1981. The School was originally operated by the Bureau of Indian Affairs and then by the South Tama Public School System. The first year of contracting saw 48 students in the system and 2½ teachers in grades K-4. The enrollment in the 1984-85 school year is 95 students in grades K-5. The Mesquaki people are trying to develop a well rounded program to educate their children. Since the school went contract, there has been a considerable amount of interest in education on the settlement. The school has been expanding every year to meet the needs of the community and the Tribe, in spite of the fact, that the Bureau will not provide adequate space and has virtually cut off funds for program expansions.

On January 11, 1985, Sergeant Todd Zephier was killed in a military accident in Germany. Sergeant Zephier was a 1980 graduate of Marty Indian School on the Yankton Sioux Reservation in South Dakota. While in High School, Todd received various awards, including the award for Academic Excellence (2 years), Elsie B. Carey Award for Character, attended the Presidential Classroom for Young Americans, various athletic awards, Homecoming and Prom King and Valedictorian. A quote in the Lake Andes Wave said "Todd exemplified the Marty spirit of caring and effort". A letter to the Zephier family from Major Craig Zachariasen, 84th Field Artillery, states, "It is due to young Americans such as Todd that our Country is free to prosper and grow safe from the attacks of our enemies". Todd is only one example of students who attend Tribal Schools across the nation.

Lema LaPointe, a 1983 graduate of St. Francis Indian School on the Rosebud Sioux Reservation in South Dakota, is another example of an outstanding student from a tribal school. While at St. Francis, Lema participated in student government, community service work, athletics, and was State discus champion for 2 years. She attended Phillips Academy for two summers at Hanover, Massachusetts. Lema maintained a grade point average of over 3.75 in High School and was the Valedictorian during graduation. As a matter of fact, she was so well respected by the communities and students who use the school that she was asked to be a guest speaker for the graduating class of 1984. Lema is currently attending Mary College, a private school in Bismarck, North Dakota and is maintaining a 3.00 grade point average. She has received some scholarships including the Artichoker Scholarship for outstanding overall performance and potential contributions to her tribe. Lema was provided all of her elementary and secondary education at St. Francis Indian School, which was originally started at the request of Chief Spotted Tail in 1886. The two main education facilities were built in the pre-World War I era. They are currently defined by various BIA funded studies as "antiquated, delapitated, deteriorated, structually unsound, functionally inefficient and "tired"."

With all of these successes along with those in the Bureau Budget justification and countless others it puzzles us as to why the Bureau has proposed some significant budget changes. Mr. Chairman, allow me to highlight some of those budget changes which are of concern to contract schools:

A. School Board Expenses.—The Bureau budget justification sites PL 95-561, as a law which authorized and mandated the facilitation of Indian control of Indian Affairs in all matters relating to education. On the same page, the Bureau wishes to establish a maximum amount which each school can use from funds appropriated for school board expenses including meeting expenses, association dues and legal fees. These two statements contradict each other.

The proposed maximum amounts based on school enrollment is not realistic. As a basic example, a school with less than 250 having 10 school board meetings with 5 members and wishing to join a National organization and requiring legal services would need at least $7,000. That is:

(1) 5 Board members times 10 meetings times $70 per meeting (including mileage, per diem, etc.)	$3,500
(2) Join national organization	1,500
(3) Legal fees	2,000
Total	7,000

As a bottom line, we feel that the local school boards are exercising local control and the Bureau does not want to relinquish control. The Bureau is using their budget process to insure the local school boards don't gain more then is necessary to operate as a rubber stamp for the Bureau.

We would like to recommend that school board expenses be left as a local decision including the funds for school board training.

B. ISEP shows an increase per weighted student unit and that is certainly needed. We think there are still inequities within ISEP, for example the transportation allowance. The Bureau of Indian Affairs (BIA) requested, based on the recommendations of their transportation task force, an increase in student transportation funding. The total request is up by $1.7 million. According to the Bureau this will bring the average value per mile up from $1.17 to $1.38. We think this is still low. The figure recommended by a national study conducted by the Association of School Bus Transportation, was $1.61 per mile. Raising the per mile value to $1.38 does represent a step in the right direction however. Although, I would suggest to the Committee that the Bureau after citing in the Budget justification the reasons for the increase in FY '86 should give strong consideration for a FY '85 Supplemental of a like amount as the problems cited in the justification are with us just as much this fiscal year as they will be in FY '86.

C. The Budget carries with it a $1.9 million line item for implementation of education standards. I recognize that P.L. 95-561 mandated education standards for Bureau schools only, as the legislation recognized the autonomy inherent in self-determination. The contract schools have on their own sought accreditation by either state departments of education and/or accreditation agencies. Because we have had some schools gain accreditation just recently, I don't have an accurate count. I will however, provide that figure for the record. The fact however—is that without comparable dollars to cover out indirect cost needs, our operation and maintenance needs and now without a special $1.9 million line item, we have gone further faster toward accreditation than the Bureau operated schools.

H.R. 11 P.L. 98-511, which passed the Congress last year contained a provision mandating that contract schools within two (2) years be accredited or a candidate for accreditation or be in compliance with Bureau operated school standards. We have no problem with that, but we feel contract schools should be given some additional financial assistance to meet our goal of total accreditation.

D. H.R. 11 Moratorium. While I am on the subject, the entire H.R. 11-P.L. 98-511 matter has become an issue within the contract school community. Although passed last Congress, because of language contained within the FY '85 Interior Appropriation Bill, the Bureau cannot begin implementation until certain problems as perceived by the Senate Appropriation Committee are clarified. Mr. Chairman, I would like to request that your Committee provide the Senate Appropriation Committee any assistance they need to move this matter along. This entire delay in our opinion is ridiculous. The legislation is intended to help move the Bureau into the 1980's by granting Bureau funded schools a more rationale method of operating and administering their schools. ACTS calls upon the Senate Select Committee on Indian Affairs to hold immediate hearings on this subject and to help begin implementation of P.L. 98-511.

E. Contract Moratorium. The FY '85 Appropriation Bill also contained a moratorium on contracting. This represents in our opinion a major blow to the concept of 638 and we again call upon this Committee to investigate this issue through the hearing process. We don't argue the fact that there may be a need for guidelines to the contracting of new starts, but as the organization representing contract schools, we would like to participate in the establishment of such guidelines. The actions of the Appropriation Committee in last years Appropriation Bill were based on no deliberations with tribes or contract schools. Again, we hope and urge your Committee to look into this issue.

F. Mr. Chairman, as we did last year, ACTS again calls upon the Congress to include forward funding in the FY '86 Appropriation Bill. Last year the other body did instruct the Bureau to submit in the FY '86 Budget a forward funding request, but the Senate did not. Mr. Chairman, it only makes sense. We would finally be on par administratively with public school districts all across this country. We could conduct spring budget planning, sign teacher contracts, do curriculum planning, purchase audio-visual materials and other supplies knowing what our final budget figures would be for the upcoming school year. As it is now we never know when or how much our final allocation of ISEP dollars will be.

Mr. Chairman, if desired I could request that each of the contract school administrators submit to you reasons for forward funding and why no matter what the Bureau may try to do to improve the funding process, our problems will not be alleviated until forward funding becomes a reality.

G. Facility Improvement and Repair. As you know from reading the budget justification, the Bureau is requesting no funds in FY '86 for education construction. According to the justification, this "subactivity has shifted primarily from building new facilities to improving and repairing existing facilities."

If this is to be the approach the Bureau opts to follow, the $37,490,000 requested is just not enough. The Bureau estimates an $80,000,000 backlog just in underground utility system repair. One figure quoted us recently, was a backlog of $100,000,000. Whether this included underground utility system repair I don't know. This inadequacy of dollars coupled with a confused system of F.I. & R. project prioritization makes this program one of the more confusing within the Bureau and the Department. For those of us in the field it seems like F.I. & R. goes to whoever makes the most noise. Again H.R. 11 attempted to put some sense to the prioritization of F.I. & R. projects. This is an area which needs a lot of Congressional scrutiny and we think as the Committee overseeing Indian programs, you should look carefully into this entire process.

H. Other. Mr. Chairman, not meaning to sound repetitive, allow me to make one final point pertaining to forward funding. Last May (1984), the Clarey Institute released a report regarding Self-Determination. A report which was requested by the Assistant Secretary, BIA. That report in recommendation Number 12 supported the forward funding approach as a sensible method of administratively operating tribally-run programs.

Mr. Chairman, we do have other issues, not all of which pertain directly to the FY '86 Budget, i.e. indirect cost and operation and maintenance needs to name just a few. H.R. 11 attempted to place contract schools on par with Bureau schools in terms of receiving comparable dollars to operate their schools. I have already alluded to the fate to date of P.L. 98-511. Quite frankly, Mr. Chairman, unless your Committee takes a lead this Congress to look into some of these problems, the same problems will continue. We are hopeful you will invest the time and energies of the Committee to gather the data to help us address some of our very real problems.

Thank you, Mr. Chairman, for allowing us the time today and we stand ready to cooperate with the committee at any time.

Mr. **Taylor**. Thank you very much.

Mr. Forkenbrock, do you have anything additional?

Mr. **Forkenbrock**. Not really, Mr. Taylor, only if there are some questions that perhaps I can help answer.

I think the one concept about forward funding that perhaps needs to be underlined is that the only thing that the contract schools, the Bureau-operated schools—and even the colleges, for that matter—are concerned about is being on par with the normal public school district and the normal college in this country. Coming from public school education myself, back in the 1960's and the 1970's, I remember the school boards would finalize their upcoming budgets in the spring. They would sign teacher contracts at that time knowing exactly the amount of money they had, and we were able to go into the next school year with the exact dollar figure down to the final cent.

In the case of the Bureau-funded schools, there is no way, regardless of what the Bureau may do administratively to try to expedite the process or try to make it better, that the Bureau funded schools can know specifically and exactly the amount of dollars they are going to have. As Gay just referred to, even though they have gone to a 1-week count and they have changed the regulations from the past, which did help get a final allocation into the field a couple of months earlier and which is still subject to adjustments, it still does not alleviate the problem that from August, at beginning of the school year, through the first part of the fiscal year in October, you may have a 30- to 45-day period where there will be no funding coming into that system regardless of any process the Bureau now has, so——

Mr. TAYLOR. Is this problem equally associated with BIA-operated schools? Do they have exactly the same problem?

Mr. FORKENBROCK. Yes, it is the same situation in both cases. The contract schools and the Bureau-operated schools, in terms of the ISEP funding process into the schools, operate the same way.

Mr. TAYLOR. Mike, do you have any questions?

Mr. MAHSETKY. You mentioned the 1-week count has alleviated some of the problems but you also just said that it is subject to adjustments. What kind of adjustments are you talking about?

Mr. FORKENBROCK. Well, let me put it this way: The way the system works is that in a little bit over another month, probably, sometime in March for purposes of the 1985–86 school year, the schools will receive a tentative budget allocation based on what the Bureau estimates the 1986 budget to be, the number of weighted student units, et cetera, and of course the number of weighted student units that school has. Therefore, they are theoretically in the planning stages for the upcoming year with a tentative allocation.

Once the fiscal year begins, that is October 1, if there is an appropriations bill, and that of course is subject to the Congress, at some point between October 1 and the end of October, during that 30-day period, they should get about a 75-percent allocation of their previous year's funding. That is what they use to work off of. That is their upfront dollars.

Now, if the appropriation bill passes in a timely manner, they may be fortunate to get that 75 percent during that 30-day period, which is good if it comes down the pike. Even if it does, many times they still have to use borrowed funds or whatever to begin the school year.

They do get a tentative final allocation based on what that appropriations level is. Then, as Gay mentioned, now they have only one count which comes in October. Before, there was a count again in February, so you would not really know a final until you took students in both the fall and the spring and did your averaging. Therefore, the fact that they have gone from the two count to the one count makes it better, in the sense that they are only using one count now to determine what that final will be. They get the final and they get that figure, but the actual advice of allotment or the allocation did not come until just a week or two ago.

That is theoretically their final allocation, but the Bureau always reserves the right to make adjustments depending on a variety of things. It could be administrative decisions. I remember a couple of years ago there was the ADP reprogramming situation, so there still can be a variety of variables over which there is no control that might affect their final adjustment. A final adjustment could come later in the year.

Mr. **Mahsetky**. Thank you. My other question is that you mentioned that everybody is aware of the problems associated with the facilities improvement and repair program, and there is generally a convolution of problems within the system. Could you state briefly, is it lack of coordination between the Office of Indian Education Programs and Facilities Improvement and Repair, or exactly what is it? Where would you start unwinding the confusion or the mess?

Ms. **Kingman**. If I may speak from personal experience, the Pierre Indian Learning Center has been on the priority list since 1980 or 1981 and we have been repeatedly knocked off the priority list. It is my understanding that currently what has happened is, the Bureau wants to use $5 million off the top to pay cost-of-living salaries or pay salaries, and so everyone else now is knocked down the ladder. This is an example of the things that happen that we do not know anything about.

We deal with the Bureau on these things and we also have to deal with the Office of Facility Management, and I do not know how much they communicate, but it is an education to try to learn that process. Then, once you even learn it, it might change. Like I say, we have been trying to do this for 5 years now. Meanwhile, we are like many of the other schools. Our facilities are almost falling down around us. We have been cited for safety and health factors, and yet we have emergency students that we must take. If we do not take them, they are placed in jail somewhere, so we are caught. Yet, I do not know that the Bureau is doing anything to improve the FI&R system.

Those, I guess, are some of the things that we contend with. I still do not feel, though, that the Office of Facility Management should be placed under the Bureau. I think as it is, where it is, it is an objective, nonemotional area. The Bureau, it seems like, has allowed—as I was told—the squeaking wheel to get the grease. It is those people who come in to lobby and cry the hardest that seem to get things done. It is not always those that have the most need as far as facilities go.

Mr. **Mahsetky**. I have a three-part question as far as school board training moneys. Was there a cap last year or in the past on the amount of school board training moneys that a particular school could get? It seems to be that the caps were implemented this year. The second part of the question is, do you have any idea why all of a sudden there are caps on the amounts of school board training moneys?

Ms. **Kingman**. The amount for school board training is the same this year as the Bureau had last year. Where they are trying to put a cap on is expenses of the school board meetings. This means when my school board comes to my school to meet, we have to pay their travel and per diem. This is what the Bureau is trying to put a cap on.

In the Bureau budget they furnished a breakdown. For under 250 students they are setting a limit. In my case—my school is a special education school and I have a limited number of students, and yet they come from three States because we serve special education in three States—so in the case of the Pierre Indian Learning Center it would really be way off balance. For most schools it still would be too small an amount to accommodate school board expenses.

What you are doing is, you are defeating the purpose of self-determination or Indian control of contract schools. The boards that we have have become very sophisticated and knowledgeable in operating contract schools. They know what is best for the education of their students. They should be allowed to continue this. Therefore, I would like to see it remain the way it was, that the school board itself maintains what their budget will be.

Mr. **MAHSETKY**. One last question about school board training moneys: The Bureau and the Appropriations Committees have taken the approach of centralizing training moneys. I am wondering what the opinion is of contract schools as far as the centralization of funds?

Mr. **FORKENBROCK**. This is sort of off the record in a sense, because I cannot speak for the total organization on that issue. I think there is, or may be, some mixed feeling on that. I think that is a good question, and I will provide that for the record for you, but I think if you would individually poll each school they would probably prefer that the money be directly given to the school.

Mr. **MAHSETKY**. On an individual basis?

Mr. **FORKENBROCK**. Yes.

Ms. **KINGMAN**. Yes.

[Subsequent to the hearing the following correspondence was submitted for the hearing record by Mr. John Forkenbrock, Washington representative for the Association of Contract Tribal Schools:]

ASSOCIATION OF CONTRACT TRIBAL SCHOOLS,
Pierre, SD, March 11, 1985.

Dr. KENNETH ROSS,
Director, Office of Indian Education Programs, Bureau of Indian Affairs, Department of the Interior, Washington, DC.

DR. ROSS: Please find attached a page from the South Dakota Educational Statistics Digest, 1983–84. Reference is made to the Expenditures of the Board of Education. The total expenditure of $2,966,069 represents costs associated with school board expenses for the 195 public school boards in South Dakota. These expenditures amount to an average cost of $15,210.61 per school board. According to the Executive Director of the Associated School Boards of South Dakota, the only expense in these figures that is not similar to Bureau school boards is for architects. The 195 public schools in South Dakota range in size from a 1-6 grade program with 30 students to a K-12 grade program with over 13,000 students with the majority in the 100 to 400 range. Of the 180 high school programs, 142 of them had less than 200 students. The majority of the school boards have 5 members with a few who have 7 or 9. The board members are paid a stipend of between $30 and $60 plus mileage. This material is used as a reference and does not attempt to compare South Dakota public schools with BIA funded schools. There is a more serious problem when looking at the proposed maximum expenses allowed for school board expenses within the BIA FY86 Budget justification other then just the amount of funds allowed.

It appears that the BIA is using the budget process to deny the BIA funded school boards their rights according to PL 93-638 and PL 95-561 policy. Both laws express the federal policy of Indian control of Indian affairs in all matters relating to education. The local school boards are exercising their rights of local planning and decision making.

They are assisting the local school administrators implement programs that are improving the quality of education. They are questioning Bureau policy, regulations, guidelines and administrative directors which directly contradict local control and education quality. They are gaining a voice in the development of federal laws which effect the education of their children. They are gaining management techniques in policy development and implementation for their local schools. The bottom line is that they are exercising their right of local control and the BIA appears to be scared that they are taking too much control. The forty percent decrease in funds associated with school expenses will decrease the above activities and will put the boards back where they were prior to the enactment of PL 93-638 and PL 95-561, which was non-existent except for a rubber stamp for the BIA.

There may be some abuses of funds allocated for school board expenses. It would be better for the BIA to provide the required technical assistance as opposed to using the budget process to stifle the development of local control and improved education to meet local identified needs.

Therefore, I would recommend that you allow all the schools to exercise their right of local control and let them decide their own limits on school board expenses. They should also decide their own training needs and amounts needed for that training. There is no need for a separate line item for school board expenses and the maximum amounts as identified in the FY 86 Budget justification.

I have confidence in the parents to control the amounts that school boards spend for these functions through their rights in the democratic systems. The BIA apparently does not, by proposing the new line item.

In closing, I would like to thank you for trying to improve the quality of education in the Bureau funded schools and allowing us to provide some information that may help you improve this quality.

Sincerely,

ROGER C. BORDEAUX,
Executive Director.

EDUCATIONAL EXPENDITURES - BY FUNCTIONS AND BY OBJECTS

(PUBLIC SCHOOLS ONLY)

195 schools

	SALARIES	BENEFITS	PURCHASE SERVICES	SUPPLIES & MATERIALS	CAPITAL ACQUISITION	OTHER OBJECTS	TOTAL	PERCENT OF TOTAL
INSTRUCTION								
ELEMENTARY	$ 64,214,308	$9,712,400	$ 478,872	$ 4,008,314	$122,074	$ 88,124	$ 80,608,069	--------
MIDDLE/JUNIOR HIGH	16,707,281	2,070,099	136,600	1,003,771	86,336	20,563	20,084,880	--------
HIGH SCHOOL	42,600,720	7,320,024	989,104	3,043,137	280,080	60,802	55,147,377	--------
OTHER REGULAR PROGRAMS	408,208	68,089	30,203	44,920	16,170	12,340	567,706	--------
ECIA TITLE I	7,193,763	1,186,420	40,051	278,480	124,740	33,361	8,813,003	--------
VO-TECH MULTI-DISTRICT	--------	--------	840,020	--------	--------	--------	840,020	--------
CONTRACT-OUTSIDE STATE	--------	--------	920,702	--------	--------	--------	920,702	--------
CONTRACT-INSIDE STATE	--------	--------	165,811	--------	--------	--------	165,811	--------
OTHER SPECIAL PROGRAMS	1,910,104	108,019	374,872	230,004	35,387	27,720	2,330,276	--------
ADULT PROGRAMS	409,418	62,493	61,992	64,480	3,199	6,432	606,893	--------
GENERAL FUND INSTRUCTION	$133,339,093	$22,497,912	$3,996,196	$10,032,808	$699,412	$224,038	$170,997,129	--------
SPECIAL EDUCATION INSTRUCTION	10,004,708	1,271,694	871,077	407,803	31,914	22,707	13,779,011	--------
TOTAL INSTRUCTION	$143,341,800	$24,178,798	$4,837,273	$11,031,601	$641,326	$246,802	$184,767,147	57.29%
SUPPORT SERVICES								
ATTENDANCE, HEALTH	$ 1,101,278	$ 159,017	$ 86,073	$ 49,734	$ 3,010	$ 4,330	$ 1,399,086	--------
GUIDANCE	4,019,330	662,150	169,362	217,304	2,164	3,363	5,073,784	--------
PSYCHOLOGICAL AND SPEECH	1,144,003	104,340	189,983	59,023	2,003	150	1,849,108	--------
IMPROVEMENT OF INSTRUCTION	980,101	183,603	236,010	100,360	--------	4,198	1,402,078	--------
EDUCATIONAL MEDIA	3,848,031	641,007	117,780	1,301,008	205,773	7,072	~~[illegible]~~	--------
BOARD OF EDUCATION	601,020	137,004	1,844,073	110,800	5,001	509,727	3,048,062	--------
SUPERINTENDENT	5,197,859	1,060,884	686,018	146,084	3,000	52,309	7,065,074	--------
PRINCIPALS	13,550,727	2,356,309	471,027	217,007	4,423	54,104	16,626,308	--------
OTHER ADMINISTRATION	794,602	141,070	64,160	14,227	331	691	1,008,785	--------
FISCAL	4,119,306	608,477	709,035	303,060	27,070	109,411	5,840,276	--------
FACILITIES, CONSTRUCTION	14,493	2,162	67,403	4,744	64	1,193	90,055	--------
OPERATION AND MAINTENANCE	19,702,080	3,336,438	10,030,139	4,000,023	507,076	102,059	38,010,770	--------
PUPIL TRANSPORTATION	4,149,800	479,120	9,352,076	3,159,060	304,034	14,400	16,809,024	--------
[illegible] SERVICE UNIT	--------	--------	1,902,008	--------	--------	--------	1,902,998	--------
OTHER SUPPORT	603,800	331,388	478,487	174,818	111,447	180,303	1,878,323	--------
TOTAL SUPPORT	$ 50,331,185	$ 9,348,778	$33,383,302	$ 9,903,481	$1,323,186	$1,120,331	$110,702,882	34.33%
COMMUNITY SERVICES	$ 48,893	$ 5,308	$ 11,888	$ 10,188	$ --------	$ 1,488	$ 88,388	.03%
NON-PROGRAMMED SERVICES								
WITHIN THE STATE	$ --------	$ --------	$ 1,361,609	$ --------	$ --------	$ --------	$ 1,361,609	--------
OUTSIDE THE STATE	--------	--------	361,661	--------	--------	--------	361,661	--------
OTHER EDUCATIONAL UNITS	--------	--------	6,061,061	--------	--------	--------	6,061,061	--------
TOTAL NON-PROGRAMMED	$ --------	$ --------	$ 7,784,331	$ --------	$ --------	$ --------	$ 7,784,331	2.33%
DEBT SERVICE	$ --------	$ --------	$ --------	$ --------	$ --------	$ 48,881	$ 48,881	.01%
CO-CURRICULAR	$ 4,873,128	$ 481,387	$ 2,334,882	$ 1,173,886	$ 183,496	$ 813,381	$ 9,860,794	3.02%
OPERATING TRANSFERS OUT	$ --------	$ --------	$ --------	$ --------	$ --------	$8,382,861	$ 8,382,861	2.60%
TOTAL GENERAL PLUS SPECIAL EDUCATION	$203,180,873	$34,083,133	$48,789,888	$23,137,318	$1,900,812	$11,821,880	$322,884,827	100.00%

Mr. **Forkenbrock**. I might add, I think it is important to make the clarification in terms of the budget that there is the same line item of dollar totals for school board training, but the school board expense, the dollars have now been broken out and separately put in the budget. Prior to this time it has either come out of ISEP for purposes of the Bureau-operated schools and, as far as the contract schools are concerned, they have been allowed to use some of their indirect cost moneys for purposes of school board expenses and legal fees and meetings and things of that sort.

Now the budget does not address whether or not the contract schools can continue to use that funding source, that is, indirect costs, to offset some of these, or whether it is now a no-no and they exclusively have to use the dollars based on their size. As Gay well stated, that level is inadequate to meet those needs.

Mr. **Mahsetky**. My last question deals with transportation cost. The Bureau, in their justification for 1986, stated that a study group had been formed to study the transportation cost and felt that there was a justification to increase transportation moneys the next year based upon a mileage formula, but that really does not address the fiscal year 1985. Are you aware of the Bureau's plans to request a supplemental for transportation costs in the fiscal year 1985? If not, would you recommend such a request?

Ms. **Kingman**. Yes. We would recommend an increase in transportation costs. As I stated, there is a study that did say that the transportation cost should be $1.61 per mile at least, and the Bureau is only recommending an increase to $1.38 per mile.

I think, if I might say one more thing, forward funding will help with the ISEP money coming late. To date, I still have not received any money for my school from ISEP. Only 2 weeks ago the PILC received the advice of allotment. To date, we have received nothing on special funds, which are the 94-142 funds which come as flow-through money to the Bureau from the Office of Education it is very, very hard to administrate a school and operate when you do not have any funds.

Therefore, as you look at the budget, could you also look at the flow-through moneys that come from the Office of Education to the Bureau. To date I have received no special education funds. At least with ISEP, you do know, they tell us you can spend up to 75 percent of your budget, so we know at least we can do that, but with 94-142 funds we do not even have a percent we can look at. Can you imagine a school operating at this late date in the school year without funds? I mean, the students are not hurting. We are finding the money, and we will end up making do but it is very difficult.

Mr. **Mahsetky**. Thank you.

Ms. **Kingman**. Thank you.

Mr. **Forkenbrock**. Thank you.

Mr. **Taylor**. I think we are nearing the end of our list here. I understand Wayne Chico is not here and will not be attending. Is Lorraine Edmo from the American Indian Scholarship Program present?

Is Dr. Lloyd Elm of the National Indian Education Association here?

I would like to call as the last listed witness, before we retreat and go back to where we were earlier this morning, Mike Stepetin, vice chairman of the National Advisory Council on Indian Education. After we hear from Mr. Stepetin, we will return to Elmer Savilla of the National Tribal Chairmen's Association.

Mr. Stepetin, please proceed.

STATEMENT OF MICHAEL STEPETIN, VICE CHAIRMAN, NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION, ACCOMPANIED BY EVALU WARE RUSSELL OF OKLAHOMA; AND ROBERT CHIAGO OF UTAH

Mr. STEPETIN. Mr. Chairman, we appreciate this opportunity to represent the National Advisory Council on Indian Education, to support the Johnson-O'Malley educational assistance funding activity within the Bureau of Indian Affairs educational operations.

On my right is Evalu Russell from Oklahoma. We come from all points of our fair country. On my left, from the State of Utah, is Robert Chiago. They will have just a bit to say. I, myself, am from Portland OR, and was born in Alaska.

The council is dismayed to discover that the fiscal year 1986 Bureau of Indian Affairs' budget eliminates the Johnson-O'Malley program funding of $25,674,000. This program is essential for Indian education, and most importantly, Indian children.

The National Advisory Council on Indian Education was created under the Indian Education Act of 1972, as amended, and it is comprised of 15 American Indians and Alaska Natives appointed by the President.

The Council advises the President and the Congress of the United States on matters pertaining to the administration and operation of federally funded Indian education programs. On February 26, 1985 the Council approved a resolution requesting the continuation of the Johnson-O'Malley Act. The JOM funding is deemed essential to assist American Indians in achieving equity in educational opportunity in the United States. JOM program funds do not even begin to accommodate the needed reforms and improvements that are absolutely essential for Indian education in its efforts to keep up with current national reforms and improvements for excellence in education. This excellence in education was strongly supported by yourselves and President Reagan; also, the local communities and school boards. I had around 35 phone calls from Seattle, Portland, and Alaska concerning the JOM program, so their concerns are very deep and very real.

The National Advisory Council on Indian Education testified that title IV, part A formula grant programs or any other component of Public Law 92-318 does not replicate services provided by the Johnson-O'Malley program. The June 15, 1981 GAO report: "Local Coordination Prevents Duplication of Services at Federally-sponsored Indian Education Projects," indicates that title IV, part A and JOM funds are compatible and do enhance the quality of education for Indians. Subsequent audit reports conducted by the Department of Education, Indian Education Programs staff also substantiate this. The elimination of either of the two programs would prove catastrophic.

With that, I am going to turn over some of the numbers to our statistician, our chairman of the Legislative Committee, Mr. Robert Chiago.

Mr. CHIAGO. Thank you. We anticipate that the Bureau of Indian Affairs will say that title IV, part A is one of those programs which tend to duplicate the Johnson-O'Malley program. That is one of the reasons why we are here. It is our position that title IV, part A does not duplicate the Johnson-O'Malley program. It is important to note the fiscal year 1985 Bureau of Indian Affairs' budget justification for the JOM Program states that this program is successful.

Both programs, of course, are designed to provide for the special educational needs of Indian students. One of the other programs that we have been talking about, or at least I have heard discussed here, is Public Law 81-874, Impact Aid. We anticipate that the Bureau of Indian Affairs may also say that Public Law 81-874, Impact Aid, may be a duplication or may serve to replace Johnson-O'Malley funds. That is not necessarily the case. Johnson-O'Malley, according to our understanding, is used for basic aid in some of the schools when impact aid funds do not necessarily amount to very much or can not really do too much.

I would like to mention some of the differences, in our opinion, between title IV, part A and Johnson-O'Malley. One difference is that Johnson-O'Malley allows Indian tribes and organizations to contract through the BIA for the administration of certain of these educational programs. Title IV, part A does not provide this opportunity to Indian tribes or Indian organizations. Title IV, part A provides voluntary participation by local education agencies or school districts.

If the LEA chooses not to participate in administering an education program, then there really will not be any program. There are many cases where the LEA's have decided not to participate in the administration of title IV, part A programs. In those cases, Johnson-O'Malley has been able to complement or provide for the special educational needs of Indian students. That is one of the differences. Again, title IV, as I mentioned, goes to the LEA's, whereas Johnson-O'Malley may go to the LEA's or be administered by Indian tribes or organizations. Due to certain budgetary cuts within the last 8 years, the total budget to date for title IV programs is about $67,292,000; $50,000,323 has been allocated for title IV, part A.

It is extremely important that the Johnson-O'Malley programs continue because what is presently happening in the public schools is that Johnson-O'Malley programs are complementing Title IV programs. In some cases both programs are used to fund the salary of one staff person who is hired in the school district to provide for the needs of the Indian students. We have had the opportunity to visit a number of schools in different parts of the country and listen to testimony by the various Indian tribes, Indian organizations, and school districts. We have found that due to the limited funds available basic Indian education requires a number of programs just to have any kind of a viable educational program that meets the special educational needs of the Indian students within those areas.

Another example is someone's salary may be made up of 50 percent from title IV, Johnson-O'Malley may provide 25 percent of that salary, and that person may be working for another organization for the remainder of 25 percent. Part of the percent may possibly be from title VII, and so on just to have one full-time, quality person. It requires several sources of funds. In a number of cases we have found that some of the more qualified people have been unable to continue working for the Indian students within the school district because there are not enough funds available. So, if Johnson-O'Malley funds were cut out, we believe that it would be completely disastrous for the education of Indian students.

Many reservations have depressed economic conditions. The Johnson-O'Malley program provides educational services to Indian students on or near reservations. There are all kinds of needs on reservations. There is high unemployment and some of the other conditions that were expressed today, such as the needs in health, the needs in education, and the needs in housing. One of the things that should be realized here is, unlike some of the States and local governments, Indian reservations generally are not at the level of being able to support a tax base. Therefore, we have nothing to really come in and assume responsibility for the services that Johnson-O'Malley funds might be providing on Indian reservations.

States might have a tax base. They might be able to increase their taxes if the Federal Government does not fund certain programs. But this is not necessarily the case with Indian tribes because of their depressed economic conditions. With all the programs, the health programs, the housing programs, the other programs being cut, there is nothing to assume responsibility for these programs, as I mentioned, because of the depressed economic conditions, and the lack of a tax base.

Quality of services is another item that suffers. If you go from a full-time person to a part-time person or no person, the quality of services drops. It is very difficult finding qualified people to provide for the educational needs of the Indian students in the schools. Quantity, in some cases, with small amounts of funding that cannot do too much either. I just want to mention some of these things on behalf of the National Advisory Council on Indian Education.

We have several people here sitting behind me who are also members of the National Advisory Council on Indian Education. I will not mention all their names. I will note that we have one former Commissioner of the BIA. He supports that Johnson-O'Malley funds should be continued. He is one of the most knowledgeable and best Commissioner of the Bureau of Indian Affairs during the last 100 years or so.

Mr. TAYLOR. I think you are referring to Commissioner Louie Bruce. Louie used to be my boss on the American Indian Policy Review Commission.

Mr. CHIAGO. I think he is a sharp person, and I believe that if he supports the continuation of Johnson-O'Malley as a member of this Council, the people who are presently in there must have something wrong with them.

We also have Evalu Ware Russell, who is a member of our National Advisory Council, and she would like to say a few words also on behalf of the Council.

Mr. TAYLOR. Thank you very much.

Ms. Russell?

Ms. RUSSELL. Thank you very much. I am certainly happy to be here and very proud to be a member of the National Advisory Council for Indian Education, appointed by President Reagan.

I am here as a mother, a grandmother, and most of all as an Indian, pleading for the fact that we do need Johnson-O'Malley funds. Two weeks ago I had the first word from the State department of education in Oklahoma that Johnson-O'Malley was not included in the budget. I was appalled. I lecture all over the United States on Indian education, Indian culture. I had received a number of calls wanting to know what we knew about our program being cut in the budget. I had no reply.

Two years ago we had the title IV program inquiries. In the fall of the year the papers came in. We filled them out, sent them out from all aspects of the title IV program. The following spring we had that duplicated because they wanted to know what title IV was doing. We received nothing on Johnson-O'Malley but I am appalled at their decision cutting us out of the budget.

To me as an Indian parent, to me as an Indian who cares for the education of the youngsters, I think something is lacking. We are here to plead that this Johnson-O'Malley program be put on the budget for 1986. What are our children going to do? As I said, I am a caring person, and I know the students that we have talked to in the Anadarko, OK, area are so low after receiving this reply. This is why I wanted to say that as a member of the National Advisory Council on Indian Education I would like to report back to them, to any of the Indians across America, that JOM is still going to be on the budget for 1986.

Mr. TAYLOR. Ms. Russell, let me ask you a question or two. How many Bureau of Indian Affairs operated schools are there in the State of Oklahoma?

Ms. RUSSELL. I believe there are only two or three.

Mr. TAYLOR. My next question is, How many Indian students are there that are in the public schools in Oklahoma; a percentage?

Ms. RUSSELL. I think about 90 percent.

Mr. TAYLOR. That was just about what I thought.

Ms. RUSSELL. Yes.

Mr. TAYLOR. So this is going to hit Oklahoma like a thunderbolt.

Ms. RUSSELL. It is, but not just Oklahoma.

Mr. TAYLOR. We have a breakdown, State-by-State, which will probably become a part of this record when we publish it.

Mr. Stepetin?

Mr. STEPETIN. The benefits of the Johnson-O'Malley program are unforeseen. Due to the time element we were unable to get the exact numbers, so we will get those to your committee at a later date. As an example, because of the parent committee exposure, mom and dad and even grandfather have decided to go into basic education. Because of that they have taken the GED test. We have one 72-year-old grandmother in high school in Portland, OR, because of her involvement with her grandchildren.

You want to talk economic development? You want to talk something real? You do not build a foundation, even in a building like this Dirksen Senate Office building without first having a good foundation such as the level that the Johnson-O'Malley program deals with. You have non-Indian voter concern about this issue. This is a good program. I am amazed, after hearing last year's testimony by the Bureau, of the sudden change of face.

With that, we would like to thank you very much. Rest assured we will have hard copy for the committee in the form of figures, percentages, et cetera, for you within the next 5 days.

Mr. TAYLOR. I think we have one or two more questions.

Ms. Wrenn?

Ms. WRENN. The title IV, part A dollars requested for 1986 by the Department of Education is the exact same dollar figure as appropriated in fiscal year 1985. A number of years ago when the contract schools were disallowed from getting JOM moneys, when the Bureau determined that contract schools were ineligible for Johnson-O'Malley, we saw a great increase in the number of applications from contract schools for title IV because it was the only thing available at all then. Would you estimate that we would see a great surge in applications from new LEA's for title IV, part A, if Johnson-O'Malley goes down?

Mr. STEPETIN. Definitely.

Mr. CHIAGO. There may be not only an increase in applications but probably an increase in the amounts of the various applications.

Ms. WRENN. And thus the requested budget level for 1986 for title IV would not be adequate to keep things on an even keel?

Mr. CHIAGO. Not unless title IV was increased.

Ms. WRENN. Thank you.

Mr. TAYLOR. I think Mike has a question or two.

Mr. MAHSETKY. I have one question that maybe you may not be able to answer, but I am going to try anyway. That is, in the Bureau's justification for terminating the JOM program in 1986 there was a comment that a small portion of JOM programs provided free lunches or low-cost lunches, and I am wondering if you are aware of the extent of JOM funds used for lunches and whether or not there are acceptable alternatives to either free or low-cost lunches.

Mr. CHIAGO. We do not have those figures but I am sure the Bureau does. I would like to see their figures.

Mr. MAHSETKY. Well, in our questions we are asking them that for the record, but at the same time if you had any comments I was interested in what your comments were.

Mr. CHIAGO. We will ask our staff to provide some information on that.

Mr. STEPETIN. That was one of the numbers, the figures we wanted to make certain your committee had in that area, so we could justify it from not only one source but any other source that might enlighten us all.

Mr. TAYLOR. Thank you very much. I think it has been very helpful testimony.

Your prepared testimony will be entered in the record at this point.

[The prepared statement follows:]

STATEMENT

of

Mr. Michael Stepetin
Vice-Chairman
National Advisory Council on Indian Education

Mr. Chairman:

I appreciate this opportunity to represent the National Advisory Council on Indian Education to support the Johnson-O'Malley educational assistance funding activity in the Bureau of Indian Affairs educational operations.

We were dismayed to discover that the fiscal year 1986 Bureau of Indian Affairs' budget calls for the elimination of the J.O.M. funding of $25,674,000. This program is essential for Indian education.

The National Advisory Council on Indian Education is part of the Indian Education Act of 1972 (as amended) and is comprised of 15 American Indians and/or Alaska Natives appointed by President Reagan. The Council advises the President and the Congress of the United States on matters pertaining to the administration and operation of federally funded Indian education programs. Thus, our serious concern is about the proposed elimination of J.O.M.

On February 26, 1985, the NACIE Council passed a resolution requesting that the Johnson-O'Malley (J.O.M.) program be continued for the 1986 fiscal year. The J.O.M. funding is deemed essential to assist American Indians in achieving equity in educational opportunity in the United States. This does not even begin to accommodate the costs of the needed reforms and improvements that are absolutely essential for Indian education to keep up with the current national reforms and improvements for excellence in education that are strongly supported by President Reagan, the Congress, the states, and the local communities (tribes included).

Many of our Council members have received calls from the Indian tribes indicating how the loss of J.O.M. will adversely affect their local education programs.

NACIE conducts periodic field hearings and site visits on the various reservations and is fully aware of the importance of J.O.M. monies in the schema of multiple federal funding in the schools that serve American Indians.

J.O.M. has promoted Indian Self-Determination and this is certainly in line with President Reagan's January 1983 Indian Policy.

NACIE testifies that the Title IV, Part A Formula Grant Program, or any other component of P.L. 92-318 does not replicate services provided by J.O.M. The June 15, 1981, GAO report, "Local Coordination Prevents Duplication of Services at Federally Sponsored Indian Education Projects," indicates that Title IV, A and J.O.M. are compatible and do enhance the quality of education for Indians. Subsequent audit reports conducted by the Department of Education, Indian Education Programs staff, also substantiates this. The elimination of either of the two programs would be catastrophic.

It is important to note the FY'85 Bureau of Indian Affairs' budget justification for the Johnson-O'Malley Program states that this program is successful. A careful review of the following budget excerpt substantiates the positive features of J.O.M.

> "Supplementary Educational Assistance
>
> Authorization: 25 U.S.C. 13 (The Snyder Act of November 2, 1921) is the basic authority under which the Secretary provides educational and other services to federally recognized Indians. The Johnson-O'Malley Act of April 16, 1934, includes authorization of contracts for the education of Indians. The Indian Self-Determination Act of January 4, 1975, P.L. 93-638, amends the Johnson-O'Malley (JOM) Act to provide for maximum Indian participation in Indian education. The Education Amendments of 1978 dated November 1, 1978, P.L. 95-561, authorize the development of an equitable distribution formula for supplemental funds.
>
> Objective: To provide funding for supplemental programs for eligible Indian students in public schools and programs for three and four-year-old children to meet their special and unique needs as determined by contractors and local Indian education committees.
>
> Base Program ($26,000,000): Some Indian children attending public schools have special and unique needs resulting from cultural, disadvantaged economic and social backgrounds. Some State Education Departments and public schools have not specifically addressed these particular problems of Indian students in their basic education programs. In earlier years, funding to states and public schools from the Johnson-O'Malley Act was generally used for basic support and operations. Congress enacted the Indian Self-Determination and Education Assistance Act to establish a revised program of assistance to upgrade Indian education in public schools.
>
> The Johnson-O'Malley Act, as amended by P.L. 93-638, authorizes funding for supplemental programs for eligible Indian students, age three years through grade twelve, to meet their special and unique educational needs, as determined by contractors and local Indian education committees. These supplemental programs address specific educational needs resulting from the disadvantaged socioeconomic status of the parents or cultural factors. These programs include preschool activities for three and four-year-old children. Eligible Indian students are defined as follows:

> Indian students, from age 3 years through grade(s) 12, except those who are enrolled in Bureau or sectarian operated schools, shall be eligible for benefits provided by a contract pursuant to this part if they are 1/4 or more degree Indian blood and recognized by the Secretary as being eligible for Bureau services. Priority shall be given to contracts (a) which would serve Indian students on or near reservations and (b) where a majority of such Indian students will be members of the tribe(s) of such reservations.

Funding of programs under the Johnson-O'Malley Act is designed to supplement other school, state or Federal programs in meeting the special and unique educational needs of Indian students. This supplemental assistance is administered at the local level through contracts with tribal organizations, public school districts, and State Departments of Education. Under the Indian Self-Determination and Education Assistance Act (P.L. 93-638), parent committees must fully participate with the contractor in the planning, implementation, and evaluation of the contracted programs. Contractors and parent committees conduct needs assessments to determine the special and unique educational needs of eligible students in order of priority. The needs of a particular Indian community may differ from area to area. The types of supplemental services include such programs as remedial tutoring, home-school coordinators, teacher aides, early childhood programs, summer education and activity programs, educational field trips, gifted and talented, and parental costs.

This program is successful not only in meeting the special needs of students, but it also promotes cooperative relationships between Indian communities and school systems which serve to enhance parental involvement in the education of their children.

In FY 1983, this program provided services to 170,030 students in 26 states. In FY 1984, approximately 175,000 students will be served. The larger increase is due to the inclusion in the Navajo contract of approximately 4,000 three and four-year-old children who have not previously been served.

The growth in the number of tribal contracts from FY 1978 through FY 1985 is reflected on the next page:

Type of Contractor	1978	1979	1980	1981	1982	1983	Est. 1984	Est. 1985
Tribal Organizations	146	152	174	227	196	221	230	240
Public School Dist.	92	90	76	70	64	59	55	51
State Dept. of Educ.	6	6	6	6	6	6	6	6
Total Contracts	244	248	256	303	266	286	291	297

> Supplemental support funds are distributed to eligible contractors based upon the number of eligible Indian students to be served. In order to ensure that JOM supplemental funds are used appropriately, proposed revisions have been developed to 25 CFR 273.
>
> The proposed revisions, originally published in the Federal Register in the September 1982 along with other parts of the P.L. 93-638 regulations, changed the system of contracting to grants. Due to the objections received on this change, the proposed revisions will continue as contracts and be republished in the Federal Register for comment."

This budget justification statement indicates the value of J.O.M. The Council wonders why the sudden reversal of policy with no alternative funding sources offered as a substitute. The Council fully understands the place that J.O.M. plays in providing essential educational services for American Indians. Appendix A and B show how the funds were allocated in FY 1985.

We urge that the Congress restore the funding level of J.O.M. to at least the $25,674,000 level. The federal government has a definite responsibility to provide a good education to the American Indian tribes.

Thank you for accepting our testimony.

APPENDIX A

FY 1985 JOM DISTRIBUTION BY STATE

State	*(1) State Ave. Per Pupil Cost	(2) State Weighting Factor	(3) Number of Students Served	(4) Weighted Student Unit (2 x 3)	(5) State JOM Per Student Amount (Col. 2 x base amt. per WSU)	(6) State Allocation (Cols. 5x3)
Alaska	7,244	2.53	21,969	55,582	301.04	6,613,551
(Juneau)			(21,662)	(54,805)		(6,521,130)
(Portland)			(307)	(777)		(92,421)
New York	4,573	1.60	2,085	3,336	190.38	396,945
Wyoming	3,986	1.39	990	1,376	165.40	163,749
Rhode Island	3,461	1.21	210	254	143.98	30,239
Oregon	3,425	1.20	1,698	2,038	142.79	242,460
Michigan	3,234	1.13	2,020	2,283	134.46	271,612
Montana	3,224	1.13	8,110	9,164	134.46	1,090,474
(Billings)			(7,375)	(8,333)		(991,645)
(Portland)			(735)	(831)		(98,829)
Wisconsin	3,194	1.12	4,559	5,106	133.27	607,581
Washington	3,143	1.10	5,942	6,536	130.89	777,751
Colorado	3,118	1.09	789	860	129.70	102,336
Iowa	3,032	1.06	513	544	126.13	64,708
(Aberdeen)			(345)	(366)		(43,517)
(Minneapolis)			(168)	(178)		(21,191)
Minnesota	3,031	1.06	5,883	6,236	126.13	742,026
Kansas	2,989	1.04	687	714	123.75	85,019
Nebraska	2,920	1.02	1,758	1,793	121.37	213,371
New Mexico	2,803	1.00	27,550	27,550	118.99	3,278,178
(Navajo)			(17,640)	(17,640)		(2,098,986)
(Albuquerque)			(9,910)	(9,910)		(1,179,192)
North Dakota	2,746	1.00	2,582	2,582	118.99	307,235
Oklahoma	2,739	1.00	26,463	26,463	118.99	3,148,835
(Anadarko)			(10,482)	(10,482)		(1,247,254)
(Muskogee)			(15,981)	(15,981)		(1,901,581)
California	2,660	1.00	4,579	4,579	118.99	544,858
(Phoenix)			(651)	(651)		(77,463)
(Sacramento)			(3,928)	(3,928)		(467,395)
Louisiana	2,632	1.00	87	87	118.99	10,355
Nevada	2,583	1.00	3,843	3,843	118.99	457,282
Florida	2,579	1.00	418	418	118.99	49,741
Arizona	2,452	1.00	37,716	37,716	118.99	4,487,830
(Navajo)			(18,100)	(18,100)		(2,153,720)
(Phoenix)			(19,616)	(19,616)		(2,334,110)
Maine	2,393	1.00	213	213	118.99	25,348
South Dakota	2,388	1.00	9,022	9,022	118.99	1,073,531
Idaho	1,994	1.00	2,009	2,009	118.99	239,054
Utah	1,978	1.00	5,146	5,146	118.99	612,326
(Navajo)			(4,119)	(4,119)		(490,122)
(Phoenix)			(1,027)	(1,027)		(122,204)
Mississippi	1,698	1.00	316	316	118.99	37,605
TOTALS			177,157	215,766		$25,674,000

*State Average Per Pupil Cost is provided by the National Council of Educational Statistics "Average Daily Attendance, Current Expenditures, and Exclusions for P.L. 89-10 - 50 States and District of Columbia" (FY 1983).

National Average Per Pupil Cost is $2,861.

APPENDIX B

FY 1985 ADVICE OF ALLOTMENTS FOR AREAS - JOHNSON

Area/State	Student Count	Amount
Aberdeen	13,707	1,637,654
Iowa	345	43,517
Nebraska	1,758	213,371
North Dakota	2,582	307,235
South Dakota	9,022	1,073,531
Albuquerque	10,699	1,281,528
Colorado	789	102,336
New Mexico	9,910	1,179,192
Anadarko	11,169	1,332,273
Kansas	687	85,019
Oklahoma	10,482	1,247,254
Billings	8,365	1,155,394
Montana	7,375	991,645
Wyoming	990	163,749
Eastern	3,329	550,233
Florida	418	49,741
Louisana	87	10,355
Maine	213	25,348
Mississippi	316	37,605
New York	2,085	396,945
Rhode Island	210	30,239
Juneau	21,662	6,521,130
Alaska	21,662	6,521,130
Minneapolis	12,630	1,642,410
Michigan	2,020	271,612
Minnesota	5,883	742,026
Iowa	168	21,191
Wisconsin	4,559	607,581
Muskogee	15,981	1,901,581
Oklahoma	15,981	1,901,581
Navajo	39,859	4,742,828
Arizona	18,100	2,153,720
New Mexico	17,640	2,098,986
Utah	4,119	490,122
Phoenix	25,137	2,991,059
Arizona	19,616	2,334,110
California	651	77,463
Nevada	3,843	457,282
Utah	1,027	122,204
Portland	10,691	1,450,515
Alaska	307	92,421
Idaho	2,009	239,054
Montana	735	98,829
Oregon	1,698	242,460
Washington	5,942	777,751
Sacramento	3,928	467,395
California	3,928	467,395

Mr. TAYLOR. We will start back through our witness list here. We have Elmer Savilla, the executive director of the National Tribal Chairmen's Association, and then, Dr. Elm. We are following a process of first in-first out.

Mr. SAVILLA. I thought you were saving the best for the last.

Mr. TAYLOR. Mr. Savilla, please proceed.

STATEMENT OF ELMER M. SAVILLA, EXECUTIVE DIRECTOR, NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION

Mr. SAVILLA. Thank you, Mr. Taylor. It is a pleasure to be here and we want to express our appreciation to you and the committee for the opportunity to address the Federal Indian program budgets.

Before I get into a few priority programs, I want to say that the Senator was speaking when I entered. What I heard was some reasons for having social programs, Federal programs, and other programs cut across the board. But, I think it is important that it get on the record that Indian tribes are not getting Federal programs because of purely social reasons. I mean, they are entitled to different Federal services that come about because of the exchange of land and resources, so they are not—in terms of being a minority—they are not really a minority per se. I think that must be well understood by the Congress, by people that deal with Indian programs, and I think it needs to get on the record that Indian tribes are entitled to certain Federal services instead of being classed purely as social and welfare program recipients.

Our association has a membership which consists of elected leadership and tribal governments of 183 federally recognized tribes. Now they have gone on record as recognizing the reasons why there needs to be budget cuts, why there needs to be efficiency created in Federal programs, and they go along with that. They recognize the need and they have been willing to do their part. However, they want nothing more or less than those benefits which were promised to them in exchange for their lands and resources.

In early 1981, when the first round of Federal budget cuts were proposed, the tribes foresaw a gradual transition toward efficiency and improvement of the delivery of Indian services and benefits, with a corresponding gradual planned reduction in Federal funds.

Instead, what they received were slashing and deep cuts, primarily in health services and economic development programs. Because of this, in the ensuing years up until now tribal members on the rolls of the unemployed, social services, and welfare have increased, and many are in need of medical attention.

Health barriers that existed, such as chronic diseases, mental illness, suicides, alcohol and drug abuse are escalating, aggravated by this sudden and unprecedented reversal of Federal policies. As was mentioned before by the previous witness, with no tax base on most reservations there exists no private sector to balance the sudden withdrawal of that Federal assistance.

Therefore, the primary concern of the tribal leaders is that the Congress realize that Federal assistance to Indian tribes has already been reduced too much and too soon. There can be no orderly growth of reservation economies when all efforts of the tribal governments are channeled to mere survival.

I want to repeat that the Indian tribes are in favor of the improvement of efficiency in Government, but it should be done in an orderly manner to prevent having to rebuild all that has already been accomplished. Our testimony today will address those programs which are most crucial, in our opinion, to the welfare of reservation Indian communities.

First of all on Indian health, I would like to say for the record that we are in favor of S. 277, since we will not be here next week to testify, but we would like to go on record on that. Now the American Indian population, of course, is increasing because of past improvements of health care. Statistics based on the 1980 census show that the Indian population is now much younger in age than the rest of the Nation, the rest of the races combined. According to those 1980 census figures, 33 percent of the Indian population are younger than 15 years of age compared to 23 percent for the rest of the Nation.

The birth rate of Indians was 30.2 per 1,000 population, which was about twice the 1979 rate of 15.9 for all races, so the birth rate for Indians is very, very much in evidence. Now the infant mortality rate among the Indians dropped from 62.7 per 1,000 live births in the years 1954–56 to 14.6 per 1,000 live births in 1978–80. Now this is a creditable indication of the quality of health care up until 1981. However, the 1978–80 mortality rate of 14.6 per 1,000 live births is still higher than that of 13.1 for all other races combined, so even with the lower mortality rate it has not been reduced sufficiently.

Now the leading cause of deaths for Indians and all other races was disease of the heart. The second leading cause of deaths for Indians was accidents. However, the following causes of death were higher for Indians than for all other races combined, and these to me are very shocking in light of what we have been told by the Indian Health Service in the last 3 years' testimony of improvement of health services and reduction in bed-time in hospitals and clinic outpatients.

The rate of death from tuberculosis is 500 percent greater than for all other races. Alcoholism for Indians is 451 percent greater; accidents, 154 percent greater; diabetes, 124 percent; homicide, 68 percent greater; and penumonia and influenza deaths are 64 percent greater than any other race. The last, I think, pneumonia and influenza, in this day and age that figure should be really down if health care parity is going to be reached for Indians, because pneumonia often results because of a lack of care in most cases.

However, with these death rates for Indians ranging from 64 percent to 500 percent greater than all other combined races, we contend that you must not allow the administration to reduce the Federal deficit at the expense of the health and well-being of the Indian people. We think that these statistics speak for themselves as to what must be done in regards to the Indian Health Program's budget. The passage of S. 277, the continuation of the Community Health Representatives Program, and the provision of sufficient funding to enable the local clinics and hospitals to continue their good work, is vital to American Indian communities and economic development.

Indian housing: The administration is proposing that Indian housing programs be zeroed out and be eliminated and no housing units be built after the present units in the pipeline are completed. As justification for the elimination of the housing program, OMB has declared that the housing needs have been met and that the misspending of Indian housing dollars has resulted in "many mansions" out in Indian country. These two statements can't go unchallenged by NTCA.

Thousands of Indian people still live in substandard houses consisting of tarpaper and board shacks. For the record, I would like to quote Msgr. Paul A. Lenz, executive director of the Bureau of Catholic Indian Missions, who visited an Indian community only last December 13 and had this to say:

> The first sight of the Kickapoo living area is one that I will never forget. Again, that view shook me. I could not believe what I was seeing. Here in a small area were bamboo sticks forming the walls of homes with plastic roofs and floors of dirt and mud. I saw only one water tap and two trailers that had a few toilets and showers for almost 900 people. What I saw was really hard to believe possible in the United States in the year of 1984.

I think that statement by a creditable witness is really significant and should not go unheeded.

Mr. TAYLOR. Elmer, I would just like to interject a comment there. I think he was talking about the Texas Kickapoo. We recently enacted legislation to federally recognize them, and I am very hopeful, and I believe, that something is now being done about that problem.

Mr. SAVILLA. However, it points out the fact that there are still people living in substandard housing.

Mr. TAYLOR. That is quite correct. How many mansions have you been in in Indian country?

Mr. SAVILLA. The NTCA does not accept the claims of the administration that an Indian housing program is no longer needed. In regard to that statement by Monsignor Lenz, the same statement can be made on many other federally recognized reservations.

Despite approximately 20 years of HUD and BIA housing programs, American Indians and Alaska Natives suffer from the worst housing conditions of any U.S. citizens. Some statistics on the needs: Approximately 90,000 Indian families are in need of substantial housing assistance of some kind. This figure of 90,000 is up from 63,000 in 1970. Of the 149,227 existing Indian homes, 56,300 are in substandard condition, with 31,395 of these needing major renovation to be brought up to standard and 24,905 needing complete replacement. A total of 58,002 new houses need to be built to meet the 1984 need for homes on reservations. 33,097 Indian and Alaska Native families are homeless, most of whom are too poor or from too small a tribe to benefit from any housing program except the BIA Housing Improvement Program.

The trend in appropriated Indian housing units since 1981 has declined steadily while the needs continue to rise. Now complicating the severe need for adequate housing are the unique social, economic, and legal factors affecting Indian people, but there is every indication that Indian housing needs will increase in coming years. The Indian population, as explained in previous testimony on Indian health, has doubled in the last decade, and because the median age of Indians is between 20 and 25 years, there is a sharp increase in Indian family formation.

Now the relationship between Indian health and good housing is too clear to ignore. We, therefore, request that the Indian Housing Program within the Department of Housing and Urban Development be restored and continued with a minimum of 2,500 housing units each fiscal year, and that the housing improvement program within the BIA be restored to its fiscal year 1981 level, along with a congressional mandate to allow broader use of those funds.

Concerning Indian education, much has been said by the previous witnesses and much of our testimony on education agrees that Johnson-O'Malley needs to be continued. However, one important part of the Indian education network—I noticed that you called their name and they were not here—is the American Indian scholarships. On behalf of them, I would like to interject this:

Increased funding for this scholarship program is urgently needed, as well as multiyear authorization to assure continuity of administration and efficiency of services for American Indian and Alaska Native graduate students. In addition, a specific line item appropriation is needed in the BIA budget for the American Indian Scholarship Program. NTCA recognizes that it is only through higher education that Indian tribes and Alaska Natives will obtain the trained professionals needed to develop their local economies and promote their own self-sufficiency.

The Johnson-O'Malley program is also threatened, and all of Indian country is outraged that the administration has declared that it will not fund JOM in 1986. Indian parents throughout the land insist that this essential 50-year-old program not be destroyed. Now parents and tribes have informed us all week of their concern, and they tell us that a groundswell ad hoc organization called "Concerned Indian Mothers for Education" is raising money so that they can come to Washington to plead for their children's education. These mothers and grandmothers have asked for our help when they visit the Congress in 3 weeks' time.

NTCA believes that the time-tested JOM program is cost-effective and it provides the necessary remedial and enrichment programs to meet the unique needs of more than 175,000 preschool children and students from the federally recognized Indian tribes. BIA argues that other supplemental programs provide the same kind of educational help. We think the BIA is mistaken. Only JOM permits real tribal control of education: That is, the tribes and their tribal parent committees determine how best to meet the local community needs for JOM dollars.

Tribes are well aware that they cannot contract for any of the title IV, part A, 1985 dollars, and that, according to former Education Secretary Bell, more than half of title IV dollars—which is $50,323,000—goes to persons that self-identify themselves as being Indian. These are people for whom the Federal Government does not have the trust responsibility. The zeroing out of JOM is a clear indication that efforts are being made to have the United States turn its back on Indian children who are just beginning to realize the benefits of tribal and parental control of Indian education. We, therefore, respectfully request that full funding be restored to the

JOM program and that appropriations be expanded in JOM dollars to include tribally contracted schools.

The National Indian School Board Association, the Navajo Area School Board Association, and the Association of Contract Schools have declared that the decrease of $473,000 in funds provided for school board expenses is not justified. NTCA agrees wholeheartedly that this decrease is unjust. Indian school boards are relatively new and are learning the ropes of self-determination in education. Therefore, we request that the school board training allocation of $515,000 in fiscal year 1985 be immediately released for use by those school boards.

A 1-year moratorium on the contracting of schools under the authority of Public Law 93-638 has been declared by the BIA. We would further request that the BIA be required to lift that moratorium immediately.

Higher education, like scholarships, must be addressed. NTCA is aware that only 13,700 undergraduates and 300 graduate students are to be funded from fiscal year 1985 money, while more than 6,000 eligible Indian students who have been accepted into colleges and who have applied for BIA scholarships are rejected because of insufficient funds. We are concerned that the Congress may have misleading information about the number of students who will meet the tribes' great need for college-prepared professionals. The misleading information, we believe, comes from the Bureau of Indian Affairs.

In May 1984, the National Center for Education Statistics stated that there were 87,000 persons in college that self-identified as American Indians. We are at a loss to understand who these extra 73,000 self-identified students may be. We believe these students must not be confused with the 14,000 federally recognized Indian students now in school and who are in need of full scholarship support, and the 6,000 eligible students not now funded but who must be funded in 1986.

Mr. Chairman, the Santo Domingo Pueblo of New Mexico has succinctly expressed what is a general tribal opinion in regard to JOM. I will not read the whole thing but I would like that entered for the record. It does end up saying:

> We believe, too, that to build a Nation you have to start with individuals. The individuals build families. Families build and become part of communities. Communities make up States. Each State, in union with others, becomes a Nation. So it remains that the strength of a Nation to help build a safe, healthy, and desirable world depends on the emphasis and effort it makes on developing its own.

There you have it, Mr. Chairman. The Pueblo of Santo Domingo has said it clearly and well for all of Indian country. No more need be said to justify the continuation of Indian education programs.

Finally, Mr. Chairman, we want to address the failure of the BIA to request, and the failure of the Congress to provide, sufficient funds to meet the growing needs when newly recognized tribes come under the blanket of Federal protection and trust responsibility. The process for Federal recognition of historical tribes was begun several years ago by the BIA. Each year two to three new tribes are given Federal recognition, yet BIA funds do not increase accordingly. Each new funding year, the BIA departments are forced to stretch further the already thin funds.

NTCA has no quarrel with these newly recognized Indian tribes. We have encouraged them to seek the rights due to them. Our complaint, then, is that no official within the Interior Department or, for that matter, within the Indian Health Service, has taken into account the increased funding needs for those new tribes. There have been in some cases start-up funds for the tribal government provided on a one-time basis, but what of the subsequent years?

NTCA proposes that new appropriations and budgetary considerations allow for funds in addition to the regular BIA and Indian Health Service fiscal year budgets, which would subsequently become a part of the annual program budgets. We think that to do otherwise would be a contradiction of principles, for on the one hand unrecognized tribes are encouraged to seek Federal recognition, yet when they get it they become the cause of funds for all tribes being reduced. Now for what other reason would a tribe desire Federal recognition, if not for Federal assistance?

This will conclude our testimony for this day on the matter of the Federal Indian program budgets. Of course, there are issues other than those mentioned here today which are of great importance to us, but we would hope to address those issues in future oversight hearings, if invited again. Again, we sincerely appreciate your attention and interest. On behalf of our board of directors, I am authorized to say that this organization stands ready to provide any kind of assistance to the committee that you might desire in terms of information and cooperation.

Thank you.

Mr. **Taylor**. Thank you very much. I would just make one comment on these newly recognized tribes and the Federal budget. In the BIA budget there is a line item that is set aside for the start-up costs of a newly recognized tribe, including start-up on programs, and it is my understanding that as those new tribes come on line and that money is allocated to them out of this fund, that it increases the base of the program into which they have been blanketed. However, I think you raise a good point and I think we ought to have a follow-up question to the Bureau on that, so we will do that.

Mr. **Savilla**. Yes. I would like to add that the Indian Health Service proposing to zero out tribal management funds for contracts also is aggravated by that kind of a policy.

Mr. **Taylor**. We will have a couple of questions on that and try to look into it.

Mr. **Savilla**. Thank you.

Mr. **Taylor**. Thank you, very much.

[The prepared statement follows:]

PREPARED STATEMENT OF NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION, SUBMITTED BY ELMER M. SAVILLA, EXECUTIVE DIRECTOR

Good day, Mr. Chairman. My name is Elmer M. Savilla, the Executive Director for The National Tribal Chairmen's Association. On behalf of the Officers, Board of Directors, and membership of the Association, I wish to express my appreciation to you and the Committee for this opportunity to be here today to address the FY '86 federal Indian program budgets.

This Association has a membership which consists of the elected leaders and tribal governments of 183 federally recognized tribes. Needless to say that those tribal governments have been very much concerned about the direction in which the federal Administration has been steering American Indian tribes, and more so, concerned about the manner that it is being done.

The reason for the concern is obvious, and they realize that there were good reasons for the national effort to contain and improve Americas fiscal problems, therefore they are, and have been, willing to do their part in the building of the United States of America.

The American Indian people want nothing more or less than those benefits which were promised to them in exchange for their lands and resources.

In early 1981 when the first round of federal budget cuts were proposed the tribes foresaw a gradual transition towards efficiency and improvement for the delivery of Indian services and benefits, with a corresponding gradual, planned, reduction in federal funds.

Instead, what they received were slashing and deep cuts primarily in health services and economic development programs. FY '83, '84, '85, and now FY '86, have all created an increase of tribal members into the ranks of the unemployed, the rolls of social services and welfare, and those in need of medical attention.

Existing health barriers such as chronic diseases, mental illness, suicides, alcohol and drug abuse, are escalating in Indian country aggravated by the sudden and unprecedented reversal of federal policies which were designed to improve the living and health standards of Indian reservation communities.

With no tax base in most Indian communities there exists no private sector to balance the sudden withdrawal of federal assistance. Therefore the primary concern of the tribal leaders is that the Congress realize that federal assistance to Indian tribes has already been reduced too much, and too rapidly. There can be no orderly growth of reservation economies when all efforts of the tribal governments are channelled to mere survival.

I want to repeat again, that the American Indian tribes are in favor of the improvement of efficiency in government, but it should be done in an orderly manner to prevent having to rebuild all that has already been accomplished.

And, it is true that the Congress has seen to it that federal Indian programs have not been cut as severely as the Office of Management and Budget had proposed. Yet several crucial programs are now in real danger of elimination, or of further critical reduction.

Our testimony today will then address those programs which are most crucial to the welfare of reservation Indian communities.

INDIAN HEALTH

First, we wish to endorse the passage by Congress, of the Indian Health Care Amendments of 1985 (S.277). It is our contention that this particular bill received long and careful scrutiny by the entire Indian population during the last Congressional session, so therefore does not need to be elaborated on in great detail.

If S. 277 were to not pass this year, health conditions on Indian reservations would deteriorate swiftly. The American Indian population, because of past improvement of overall health care, is increasing at a growing rate. Statistics based on the 1980 census show that the Indian population is now much younger in age than the rest of the nation.

According to the '80 census figures, thirty-three percent of the Indian population are younger than 15 years of age, compared to 23% for the rest of the nation. The birth rate of Indians was 30.2 per 1,000 population, which is about twice the 1979 rate of 15.9 for all races.

The infant mortality rate among Indians dropped from 62.7 per 1,000 live births in 1954/56, to 14.6 in 1978/80. This is a creditable indication of the quality of health care up until 1981, at least. However, the 1978/80 mortality rate of 14.6 per 1,000 live births is still higher than that of 13.1 for all other races combined.

The leading cause of deaths for Indians and all other races was "disease of the heart". The second leading cause of deaths for Indian was "accidents". However, the following causes of death were higher for Indians than for all other races combined:

1. Tuberculosis—500 percent greater.
2. Alcoholism—451 percent greater.
3. Accidents—154 percent greater.
4. Diabetes—124 percent greater.
5. Homicide—68 percent greater.
6. Pneumonia and influenza—64 percent greater.

With these death rates for Indians ranging from 64 percent to 500 percent greater than all other combined races, we contend that you must not allow the Administration to reduce the federal deficit at the expense of the health and well-being of the Indian people.

We think that these statistics speak for themselves as to what must be done in regards to the Indian health programs budget. The passage of S. 277, the continuation of the Community Health Representatives program, and the provision of sufficient funding to enable the local clinics and hospitals to continue their good work is vital to American Indian community and economic development.

INDIAN HOUSING

The Administration is proposing that the Indian Housing program, which the Department of Housing and Urban Development had successfully implemented for many years, be eliminated and no housing units be built after the present units in the "pipeline" are completed. As a justification for the elimination of a housing program, OMB has declared that the housing needs have been met, and that the misspending of Indian housing dollars has resulted in "many mansions out there". These two statements cannot go unchallenged by NTCA. Thousands of Indian people still live in sub-standard houses consisting of tar paper and board shacks.

I would like to quote Monsignor Paul A. Lenz, Executive Director of the Bureau of Catholic Indian Missions, who visited an Indian community only last December 13, 1984, and had this to say of his visit:

"The first sight of the Kickapoo living area is one that I will never forget. Again, that view shook me. I could not believe what I was seeing. Here in a small area were bamboo sticks forming the walls of homes with plastic roofs and floors of dirt and mud. I saw only one water tap and two trailers that had a few toilets and showers for almost 900 people. What I saw was really hard to believe possible in the United States in the year of 1984."

No, the NTCA does not accept the claims of the Administration that an Indian Housing Program is no longer needed.

Despite approximately 20 years of HUD and BIA Housing programs, American Indians and Alaskan Natives suffer from the worst housing conditions of any United States citizens. The most recent BIA housing inventory shows the following statistics:

—Approximately 90,000 Indian families are in need of substantial housing assistance of some kind. In 1970 this figure was 63,000 families.

—Of the 149,227 existing Indian homes, 56,300 are in substandard condition with 31,395 of these needing major renovation to be brought up to standard and 24,905 needing complete replacement.

--A total of 58,002 new houses need to be built to meet the 1984 need for homes on reservations.

—33,097 Indian and Alaskan Native families are homeless, most of whom are too poor or from too small a tribe to benefit from any housing program except the BIA Housing Improvement Program (HIP).

—The trend in appropriated Indian housing units since 1981 has declined steadily while the needs continue to rise.

Complicating the severe need for adequate housing are the unique social, economic, and legal factors affecting Indian people. But there is every indication that Indian housing needs will increase in coming years. The Indian population, as explained in the previous testimony on Indian health, has doubled in the last decade and because the median age of Indians is between 20 and 25 years, there is a sharp increase in Indian family formation. The relationship between Indian health and good housing is too clear to ignore.

We therefore request that the Indian Housing Program with the Department of Housing and Urban Development be restored and continued with a minimum of 2500 housing units each fiscal year, and that the Housing Improvement Program within the BIA be restored to its FY '81 level along with a Congressional mandate to allow broader use of HIP funds.

INDIAN EDUCATION

Except for the overall health of a community, no other need is as great and important to the future of the community as is EDUCATION. Without a proper education a child, and necessarily its' surrounding community, will suffer. It is our contention that in the brief time in history that education programs have been available to the Indian tribes, that they have used educational programs to their best advantage.

The non-Indian races had thousands of years to become accustomed to learning methods, while the Indians have had a few short years yet they have already produced many lawyers, educators, and medical and scientific experts. We must not allow Indian education to regress at this point in time.

Yet the Administration has proposed that certain programs which are used widely and to the utmost, to be eliminated or sharply cut back. BIA scholarships have made it possible for many students to continue on to higher learning institutions. The NTCA recognizes the critical need for American Indian graduate education and urges continued federal support of the BIA's Special Higher Education Graduate Program.

This important part of the Indian education network has been administered by the American Indian Scholarships, Inc., of Albuquerque, New Mexico. Increased funding for this scholarship program is urgently needed, as well as multi-year authorization to assure continuity of administration and efficiency of services for American Indian and Alaskan Native graduate students.

In addition, a specific line item appropriation is need in the BIA budget for the American Indian Scholarship program. NTCA recognizes that it is only through higher education that Indian tribes and Alaskan Natives will obtain the trained professionals needed to develop their local economies and promote their own self-sufficiency.

The Johnson-O'Malley (JOM) program is also threatened with extinction. All of Indian country is outraged that the Administration has declared that it will not fund JOM in FY '86. Indian parents thoughout the land insist that this essential 51 year old program not be destroyed.

Parents and tribes have informed us that a ground swell ad hoc organization called Concerned Indian Mothers for Education is raising money at bake sales, etc., so that they can come to Washington to plead for their childrens education. These mothers and grandmothers have asked for our help when they visit the Congress in three weeks time.

The NTCA believes that the time tested JOM program is cost-effective and it provides the necessary remedial and enrichment programs to meet the unique needs of more than 175,000 pre-school children and students from the federally recognized Indian tribes.

The BIA argues that other supplemental programs in the U.S. Department of Education and the Department of Health and Human Services (Title IV Chapter 1; Impact Aid; Headstart; etc.) provides the same kind of educational help. The BIA is mistaken.

Only JOM permits real tribal control of education, that is, the tribes and their tribal parent committees determine how best to meet the local community needs for JOM dollars. Tribes are well aware that they cannot contract for any of the Title IV, Part a, FY '85 dollars, and that according to former education Secretary Bell, more than half of Title IV dollars ($50,323,000) goes to persons that self-identify themselves as being Indian. These are people whom the federal government does not have the trust responsibility for. The zeroing out of JOM is a clear indication that efforts are being made to have the United States turn its' back on Indian children who are just beginning to realize the benefits of tribal and parental control of Indian education.

We therefore respectfully request that full funding be restored to the Johnson-O'Malley program, and that appropriations be expanded to JOM dollars to include Tribally Contracted Schools.

The National Indian School Board Association, the Navajo Area School Board Association, and the Association of Contract Schools have declared that the decrease of $473,000 in funds provided for School Board expenses is not justified. NTCA agrees wholeheartedly that this decrease is unjust. Indian school boards are relatively new and are learning the ropes of self-determination and education.

Therefore, we request additionally, that the School Board Training allocation of $515,000 in FY '85 be immediately released for use by the school boards.

A one-year moratorium on the contracting of schools under the authority of Public Law 93-638 has been declared by the BIA. We further request that the BIA be required to lift that moratorium immediately.

Higher Education, like scholarships, must be addressed. NTCA is aware that only 13,700 undergraduates and 300 graduate students are to be funded from FY '85 money, while more than 6,000 eligible Indian students, who have been accepted into colleges and who have applied for BIA scholarships are rejected because of insufficient funds. We are concerned that the Congress may have misleading information about the number of students who will meet the tribes great need for college-prepared professionals.

In May of 1984 the National Center for Education Statistics stated that there were 87,000 persons in college that self-identified as American Indians. We are at a loss to understand who these extra 73,000 self-identified students may be. We believe these students must not be confused with the 14,000 federally recognized

Indian students now in school and who are in need of full scholarship support, and the 6,000 eligible students, not now funded, but who must be funded in FY '86.

Mr. Chairman, the Santo Domingo Pueblo of New Mexico, has succinctly expressed what is a general tribal opinion in regard to JOM. I would like to quote them, for the record:

"We were very disturbed to learn that our efforts (as well as those of all the other Indian tribes) to gain a more adequate funding base for the Johnson-O'Malley Indian Education program has not only met with deaf ears but with the apparently much more insensitive hatchet of the Administration."

"The total disregard for the recent positive effects that the JOM program has had on Indian education, is one of gross injustice, indifference, ignorance and negligence of the United States' moral and legal obligations to Indian people."

"As with other developing countries, we believe that educating our people within the current technological era is our best chance for survival as well as for economic and social growth. We believe that the Indian people have made and continue to make significant contributions to the growth of this country."

"We believe too that to build a Nation, you have to start with individuals. The individuals build families. Families build and become part of communities. Communities make up states. Each state, in union with others, becomes a Nation. So, it remains that the strength of a nation to help build a safe, healthy and desireable world depends on the emphasis and efforts it makes on developing its' own."

"To build our Tribal communities, our tribal government and our people, we believe that education and educational opportunity is our best resource."

There you have it, Mr. Chairman. The Pueblo of Santo Domingo has said it clearly and well for all of Indian country. No more need be said to justify the continuation of Indian education programs.

Finally, Mr. Chairman, we want to address the failure of the BIA to request, and the failure of the Congress to provide, sufficient funds to meet the growing needs when newly recognized tribes come under the blanket of federal protection and trust responsibility.

The process for federal recognition of historical tribes was begun several years ago by the BIA. Each year two to three new tribes are given federal recognition. Yet BIA funds do not increase accordingly. Each new Funding Year the BIA departments are forced to stretch the already thin funds farther.

NTCA has no quarrel with those newly recognized Indian tribes. We have encouraged them to seek the rights due them. Our complaint then is that no official within the Interior department, or for that matter, within the Indian Health Service, has taken into account the increased funding needs for those new tribes. There have been in some cases, start up funds for the tribal government provided on a one-time basis. But what of the subsequent years?

NTCA proposes that new appropriations and budgetary considerations allow for funds in addition to the regular BIA and IHS fiscal year budgets, which would subsequently become a part of the annual program budgets.

We think that to do otherwise would be a contradiction of principles for on the one hand unrecognized tribes are encouraged to seek federal recognition yet when they get it they become the cause of funds for all tribes being reduced. What other reason would a tribe desire federal recognition if not for federal assistance?

This will conclude our testimony for this day on the matter of the federal Indian programs budgets. Of course there are issues other than those mentioned here today which are of great importance to us, but we hope to address those issues in future oversight hearings, if invited again.

Your attention and interest in Indian programs is sincerely appreciated, and on behalf of our Board of Directors I am authorized to say that the organization stands ready to provide any kind of assistance to the Committee that you might desire in terms of information and cooperation.

Thank you.

Mr. TAYLOR. Dr. Lloyd Elm, supervisor of Native American Programs in the Buffalo City Schools. Dr. Elm, I understand you are testifying on behalf of the National Indian Education Association.

Mr. ELM. Yes, sir.

Mr. TAYLOR. That was a little oversight from reading your business card.

STATEMENT OF DR. LLOYD ELM, SUPERVISOR, NATIVE AMERICAN PROGRAMS, BUFFALO CITY SCHOOLS, IN BEHALF OF THE NATIONAL INDIAN EDUCATION ASSOCIATION

Mr. **Elm**. Mr. Chairman, I would like to thank you for the opportunity to present some of the concepts that the National Indian Education Association has in regard to the proposed reduction or elimination of funding for Johnson-O'Malley. Our second concern that I will address very briefly will be the funding of the tribally controlled community colleges, in terms of the maintenance of the funding level they have.

However, before I do that I would like to ask that, before I finish, you ask me that question as to whether or not part A grantees will increase if Johnson-O'Malley funds are eliminated? You see, I spent 7 years in the Department of Education before I went back home, and during that time as a program officer I served every State from California to New York to Florida to Arizona. I became quite aware of the procedures or the service populations, comparably speaking, between the Indian Education Act service population and Johnson-O'Malley service populations. I wish, before I finish, if I forget to comment on that would you please ask me that question?

Well, of course when the National Indian Education Association became aware of the Bureau of Indian Affairs budget request dated February 4, that noted that Johnson-O'Malley funds which are distributed to public schools would be discontinued, and then on February 27 when the testimony of Mr. John Fritz, which is brand new to us, reaffirmed this position. It does not amaze me any more when this happens, you see, because in 1972 in response to the Kennedy Report, when Congress was considering making law the Indian Education Act, one of the questions that immediately came forward in hearings was, will the program, as written into law, duplicate efforts of other Federal programs? That was one of the basic, initial questions that was asked prior to the Indian Education Act becoming law.

The question has never gone away. Each year Native educators come in and testify and reaffirm that indeed not only are the service populations different, but the intent of the law in most part is different. Let me go back very briefly just for information's sake here. In 1934, when the Johnson-O'Malley Act became law, the purpose of that law initially was to access the public school system for those reservation Indians who did not have a tax base and who did not have a Federal school system immediately available to them, without removing them 600 to 800 miles away. That was the initial purpose of Johnson-O'Malley. It was to provide an incentive to public school systems to accept Native students into their education process.

Mr. **Taylor**. I might just interject that, despite Johnson-O'Malley, it still took Federal lawsuits to compel public schools to open their doors.

Mr. **Elm**. That is for sure. That is right. There is a history of those lawsuits, but the point being that for the first time through the Johnson-O'Malley Act the Federal Government recognized that even though a Federal school system was intact in 1934, back 50 years ago the Federal Government recognized that it may be possible that the best possible way to accommodate the education of Native people is to do whatever they could to integrate them into the public school system.

We have been doing that or attempting to do that for 50 years now, and we are still at the same place. We are still at the same place where we are dealing with integrating Indian people into the public school system. I might add this: Personally, I think that is what should happen.

Let me go back to Johnson-O'Malley here. When we look at Johnson-O'Malley in terms of the practical side of what it does—I am going to make a reference for you here. In 1981 and 1982 I was a subcontractor to Development Associates of Arlington, VA, when they conducted a national impact evaluation of the Indian Education Act. One of the conditions that we explicitly explored in the school districts that were randomly selected for this evaluation were the other Federal programs that those school districts were receiving on behalf of Native students.

When we were looking at this aspect of this evaluation, our purpose was to see whether or not the Indian Education Act program activities were actually duplicating efforts of other Federal programs. Now let me note this to you, please. I would urge you, the National Indian Education Association would urge you to secure the original copy of the report submitted by Development Associates to the Department of Education. The reason I urge this is because I took part in writing the original report. What I read, the final report, I did not recognize that report. I did not recognize what it was, and I said: "This is not the report that Development Associates submitted to the Department of Education."

Mr. TAYLOR. There is a reference, I think, to that report in the BIA budget justification.

Ms. Wrenn?

Ms. WRENN. Yes, the Bureau of Indian Affairs, in citing four major reasons on page 53 of their budget for termination of Johnson-O'Malley, states, "The findings of a study of Indian education programs in public schools indicates that States are taking a more active role in meeting the special needs of Indian students." When we asked staff at a Bureau briefing on the budget what study they were referring to on which they base their termination of JOM, they indicated it was the Development Associates study.

There is one other thing. When that study was presented to the committee, we made numerous attempts to contact people to get the original or even find out if there was an original, and was totally unsuccessful. We would be more than happy to do anything to get that original, if you have any ideas.

Mr. ELM. Let me add this, please: Within the 10-day limit that we have to submit further written testimony, the gentleman who was the assistant director of that study, Mr. John Rymer, is now located in Phoenix, AZ, a colleague of mine in the past. He is the one that actually wrote and edited the first and original report that went from Development Associates to the Department.

Now after it went to the Department, I assure you, it could be used to say, "Yes, we should terminate all Federal programs because, whatever is going on, we are not being effective." Now that is why I clearly wanted to be explicit here and note that to you, if you want to see a federally funded study that expressly stated Indian Education Act programs and Johnson-O'Malley programs are similar but certainly it cannot be stated that they duplicate the effort of each other.

The gentleman before me made reference to federally recognized tribes, students who are in public schools on or near reservations. The Indian Education Act services population extends far beyond that. The intent of that law was much different.

Now to come back and again have to rejustify, to reassure that Johnson-O'Malley funds are not duplicating or duplicated by any other Federal program is something that I have become accustomed to. I do not mind coming to Washington for a day—especially coming from Buffalo right now. You know in Buffalo we are having a little water up there and some snow. But anyway, the purpose of it of course is that again we are here, again we are doing the same thing. I would urge you—and maybe when I used John Rymer's name, I just saw John Rymer at the National Indian Education Association convention in Phoenix—the report is available, the original report, the one that he submitted. In fact, in our comprehensive written testimony that we will be submitting,[1] we will submit excerpts from that report. However, I am urging you to do everything that you can do to get the original copy.

There is no question in my mind, when we compare the practical aspects of the programs—"practical" meaning what goes on at the local level—that the two programs are not duplicating.

Mr. TAYLOR. Doctor, I have one question: Where did the apparently massive editing of this report occur? At Development Associates before the report was——

Mr. ELM. No, it occurred in the Department of Education with the contracting people.

Mr. TAYLOR. They emasculated the report that Development Associates prepared under a contract and then held it forth as Development Associates' report?

Mr. ELM. Yes; and Development Associates at that time was not in the position to say, "That is not the report we submitted." When you are dealing with a couple of million dollars and that is your business, you submit a report, and then when they massage that report you are in no position when your livelihood is somewhat dependent upon further contracts to come in say, "We are withdrawing that report." They are not going to do that.

Now the reason that I am positive that condition exists, one of the monographs that was written was on the role of the States in Indian education. I researched that monograph myself. I wrote that monograph. I gave that monograph to Development Associates and when it was published in the final report, I did not think I wrote it. I said, "That is not the monograph I wrote," and when they came to talk about the duplication of efforts I could not believe what was in the final report that came out of the Department of Education.

So, I am urging you, because I know this, that this trust relationship that the gentleman before me was referring to, the trust relationship that exists between the Nations of Indians across this country, that relationship is with the Congress of the United States, not with the executive branch, and it is your branch of the Government that has sustained this trust in the spirit of a fiduciary relationship. I am just urging you now to do what you can do, and I can do what I can do to support what I am saying here in written testimony, and to restore the full funding of Johnson-O'Malley. This landmark legislation is as meaningful and as effective today as it was in 1934 when it came forward. To eliminate that would eliminate a very important part, a very important element of that trust relationship that exists between the Congress of the United States and Native people across this country.

---

[1] Not received at time of printing.

One last thing: I would just note that the National Indian Education Association is very concerned with the level of funding that is being appropriated by the Bureau of Indian Affairs for the tribally controlled community colleges. The numbers of students, as you will see in our comprehensive testimony, are increasing. Of course, each year the cost of operating the schools is increasing, but yet the funding level remains the same.

The President is calling for economic development programs. If we are going to be successful—and I say "we" as Native people—if we are going to be successful and the time will come when we will become economically independent, the road to economic independence is education of Native people. If we create a situation, a condition, a vehicle to come to that place and then not foster that, it seems like we are wasting a lot of time, and I do not think it is the intent of the Congress of the United States to come forward with this kind of policy and then in turn say:

> I am sorry. It is working. You may become economically independent and then there will no longer be a need for this vast bureaucracy called the Bureau of Indian Affairs.

That is a bit facetious but, again, I wanted to say that.

Mr. TAYLOR. You very wisely suggested that we remember to ask you a question.

Mr. ELM. Yes.

Ms. WRENN. Based on your experience in Indian education, if the Johnson-O'Malley program is not funded for fiscal year 1986, in your opinion, would there be a flood of new applications to share in the pot of the title 4, part A dollar?

Mr. ELM. No; the reason for that, let me make reference to the State of Oklahoma, where my sister Evalu is from. Most of the school districts there that are receiving Johnson-O'Malley moneys are also receiving Indian Education Act moneys. The school districts far removed from Oklahoma or from reservations are not eligible for Johnson-O'Malley moneys. I do not think that the number of applications being submitted for part A grants that go to LEA's, a formula grant, now, I do not think it would alter at all because the population that is now receiving Johnson-O'Malley funds is the same population on or near reservations, public schools that are receiving part A moneys, with the exception, of course, of the Indian-controlled schools that receive special part A moneys. There would be no difference.

There would be a reduction. Let me add this, though, because this is very important. There would be a reduction in services to the populations where the greatest need is for Indian education resources, and that greatest need for whatever reason is near those geographic centers where the greatest population of Native people reside today, on or near a reservation.

Ms. **Wrenn**. Thank you.

Mr. **Taylor**. Thank you very much, doctor.

Mr. **Elm**. Thank you very much, sir.

Mr. **Taylor**. The hearing will stand in adjournment.

[Whereupon, at 2:35 p.m., the hearing was adjourned.]

APPENDIX

Additional Material Submitted for the Record

BILL SHEFFIELD

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 6, 1985

RECEIVED MAR 07 1985

The Honorable Mark Andrews
Chairman
Senate Select Committee on
Indian Affairs
SH 838 Hart Senate Office Bldg.
Washington, D.C. 20510

Dear Mr. Chairman:

As the deliberations begin on the budget proposed by the President for various services to American Indians and Alaska Natives, it is imperative that the Congress maintain a strong commitment to continue to provide the full range of programs that have been developed.

In Alaska, we are particularly concerned with maintaining education, housing and health services. Proposals by the President to terminate Johnson-O'Malley education funding, and to place a two year moratorium on new housing construction are met with alarm. We are also concerned that the President has again failed to request adequate funding for health care.

We question on what basis the administration believes that other programs or resources are available, for example, to compensate for the proposed $6.6 million cut in Johnson-O'Malley education spending in Alaska. It is unrealistic to expect that funding is available from state resources or that other educational programs can fill the potential void that would occur if the Johnson-O'Malley program were terminated.

The administration proposes a two year moratorium on new housing construction. Proposals to meet the housing needs of rural Alaskans through either a housing rehabilitation program, a voucher system or sale of existing rental units are simply not realistic approaches to providing houses for Alaskan Natives. We remain unconvinced that there are sufficient housing projects "in the pipeline" to maintain a continuous development of new living units. Preliminary indications are that houses in the pipeline for more than 24 months might be de-authorized.

Because much of the responsibility for undue delay rests with federal agencies rather than the local project authorities, these possible de-authorizations are unfair. Once the pipeline is empty, and if there is a two year moratorium, the opportunities to permanently terminate the housing program may be too attractive to the budget cutters. In the absence of planning or a commitment to maintain a responsive housing program, we oppose any curtailment of housing development activities.

Health Care and particularly a community based or village based health representative program is essential for meeting the health needs of rural Alaskans. No money is being requested by the President, however, to maintain the 90-100 Alaska community health representatives. Some of the duties performed by the community health representatives include assisting and advocating for Alaska Native patients who often receive service away from home where the representatives help with the transition to the health facility, and assist both patients and family members with lodging and living needs. In addition, health representatives are very active in the nonemergent or preventive health services such as maternal and child health, mental health, and sanitation programs.

The Health Care Financing Administration (HCFA) within the Department of Health and Human Services has proposed an FY 86 Medicaid budget that establishes a financial cap for each state. At the same time, we have heard the Indian Health Service testify that they expect medicaid reimbursement to triple for services provided through IHS facilities. Alaska has raised the question with HCFA about whether IHS medicaid receipts will count against the state cap. We have not yet received an answer. In the consideration of the budget for health services, it is vitally important that this financial relationship be very clear and that IHS medicaid receipts not count in the state's cap.

During your consideration of the budgets for American Indian and Alaska Native programs, I urge you to be responsive to the needs of the Indians and Alaska Natives, and to provide continued funding for these services.

Sincerely,

Bill Sheffield

Bill Sheffield
Governor

cc: The Honorable Ted Stevens, U.S. Senate
The Honorable Frank Murkowski, U.S. Senate

PRIORITY RECOMMENDATIONS FOR INDIAN HEALTH SERVICE CORE LEVEL SERVICES TASK FORCE

As the Indian Health Service (IHS) considers the priorities for Contract Health Services (CHS) expenditures, Albuquerque Area Indian Health Board urges that the monies be used for services that will benefit the entirety of Indian communities. Contract Health Care has been used for a whole variety of services. However, it appears that as prevention becomes more and more of a focus within IHS, monies should be spent in such a way as to insure the reduction of the incidence of a particular disease as well as treating the individual who currently has the disease. Such an approach would identify certain diseases that would be treated on a priority level, i.e., those which are at an epidemic level, and would also limit methods of treatment to those methods that would control the incidence of the disease as well as the individual case that is under treatment.

Any approach that does not address the issues of the incidence of a particular disease will not meet the prevention focus that IHS has adopted. Yet this approach is not an easy one to implement. There will be, of course, the usual life endangering emergency situations. While those must be addressed, it must be kept in mind that the primary mission for IHS is the enhancement of the health conditions of the Indian communities. Treating the cases on an individual level, with little or no concern for the whole community and the relative incidence of the disease or treatable condition does not enhance the health condition of Indian communities.

In particular, the treatment of alcoholism in a manner to enhance the health of the Indian community has not been done. Alcoholism is the number one health problem facing Indian communities. Tribal organizations have stated that it is the number one problem for the whole community affecting the political, economic and social conditions of the tribes. Self-determination and sovereignty have been rendered to meaningless terms through the impact of alcoholism; social and familial relations have been destroyed and the whole fabric of the tribes has been torn. Yet the focus of alcoholism treatment has been on the end-stage client who has lost all sense of recovery. Most alcoholism treatment centers have become holding facilities for those who have committted or are capable of committing violence, are a threat to the well-being of the community, or have become so ill that they are threats to their own lives without intense care.

Albuquerque Area Indian Health Board
5600 Domingo, N.E. / Albuquerque, New Mexico 87108 / (505) 268-4591

But little or nothing is done about the treatment of the early stage individual. That person is the one who misses work about once every two weeks because of alcoholic impairment. They verbally abuse their families, only occasionally resulting in physical violence. They often hold responsible positions in the federal or tribal government or tribal enterprises. They have a family, job, education, but they also have the disease of alcoholism. Most will not voluntarily go, and should not be forced into going to the treatment facilities that are end stage oriented. There are two reasons for this. One, the early stage alcoholic is often still denying their alcoholism and don't want the stigma of entering and end stage treatment center; and two, the focus of the end stage treatment is not appropriate for the early identified, and there is nothing that can address the needs of the co-dependent family in the end stage facility.

In assessing the need for prioritization of contract health services there should be two criteria applied to the prioritization process. One, whether the services will enhance the health status of American Indians; and two, whether the service will reduce the incidence of the specific disease and those diseases related to it.

The disease of alcoholism is one that attacks many aspects of American Indian life. Most often we are confronted with the gross physical impact of the disease (cirrosis, gastrointestinal bleeding, esophaogial verices). However, we must also be aware of other impacts alcoholism has on the individual their family and community. But that awareness must also be addressed in relation to contract health service expenditures. The cost of birth complications resulting from premature births and other indices of fetal alcohol syndrome are a heavy drain of CHS monies. The same is true for accidents, most of which are alcohol related. The mental health costs are not easily measured, but considering the phenomona of co-dependency, the mental health of the alcoholic and their family has incredible costs, both to the medical delivery system and to the functioning and well-being of the community. Medical research is now showing close connections betwen diabetes and alcoholism, to the extent that in some cases they are considered inseparable.

Prevention as a focus in IHS service delivery implies that the community, family and individual are healthy and the services will be used to maintain that level of health plus provide for those situations which arise from time to time that are not prevention focused. But such an approach can fail unless the target population is either not sick or in the early stages of the development of the disease. Prevention does not work when the disease is already in developmental stage.

Since alcoholism is a disease that impacts many areas of American Indian life, directly and indirectly, uses up a major portion of the CHS budget, we recommend that CHS money for early intervention and treatment in a facility that is in-patient oriented and directed specifically towards the treatment of family co-dependency be made the top priority for the expenditure of Contract Health Services funds.

PREPARED TESTIMONY OF THE AMERICAN INDIAN SCHOLARSHIPS, INC. ALBUQUERQUE, NEW MEXICO, SUBMITTED BY LORRAINE P. EDMO, EXECUTIVE DIRECTOR

Mr. Chairman and Members of the Committee:

My name is Lorraine P. Edmo and I am the Executive Director of American Indian Scholarships, Inc. (AIS) of Albuquerque, New Mexico. I am submitting this written testimony of behalf of AIS and in support of continued federal funding of the BIA's Special Indian Graduate Program.

The AIS non-profit program is governed by an all-Indian Board of Directors and provides fellowships to American Indian and Alaska Native graduate students from throughout the country. Since it was founded in 1969, AIS has awarded over 3,000 fellowships to Indian graduate students. Beginning in 1972, AIS has successfully administered the BIA's Special Indian Graduate Program. We not only urge that federal support of this program be continued, but that funding be increased in the 1986 budget.

Today, the primary goal of the federal government in carrying out its trust responsibility to American Indian tribes and Alaska Native groups is to promote tribal economic development and self-sufficiency. We consider the AIS graduate program to be one of the best investments the federal government can make in providing the trained Indian professionals needed by tribes to improve their economies and lessen their financial dependence on the government. Indian doctors, lawyers, business leaders, natural resource managers and other skilled Indians are needed by every tribe and Alaska Native community. Only by having their own people trained in these critical skills will Indian tribes ever attain the economic self-sufficiency which they want even more than the federal government. Therefore, if the federal government is sincere in its declarations of improving tribal economies, it should support Indian graduate education and the AIS program as primary ways to reach this goal.

The attached Exhibit A provides examples of the kinds of Indian students we have assisted during our 15 years of existence. We feel that our alumni are testimony to the high caliber of people we have assisted over the years. Many of them hold responsible leadership positions within their tribes or communities as well as with states, the federal government and private industry.

Current AIS Costs and Needs

For the 1984 summer term, AIS received 81 applications, of which 45 were funded from federal and private sources (36 applicants were denied for various reasons).

For the current 1984-85 academic year, AIS received 378 applications for assistance. To date, we have awarded 205 of these applicants and we have 46 on our waiting list (the rest were denied or have incomplete applications). The 205 Indian graduate students awarded so far are from 63 tribes and are attending 97 colleges and universities in 29 states. Based on our average award of $5,100 for the 1984-85 year, we have an unmet need of $234,600 for the current year.

Projected Needs

We have compiled the following projections for the summer of 1985 and the 1985-86 academic year. Based on the past two years' experience, we project that we will have a 13% increase in applications for the summer of 1985 over 1984. This means that AIS will receive at least 92 applications for the summer of 1985; 41 will likely be ineligible for different reasons and we will have a need to fund at least 50 students. The total projected need for the 1985 summer term is $91,800.

For the 1985-86 academic year we project that we will receive at least 495 applications for assistance. This figure is based on the 13% increase from 1983 to 1984. An estimated 345 will be eligible for funding at an average cost of $5,100. Thus, the projected need for the 1985-86 academic year is $1,760,000. This figure is based on realistic student statistics which we have compiled for the past two years.

Therefore, our total scholarship need for the summer of 1985 and the 1985-86 academic year is $1,856,400. This past year, our program received $978,000 from the BIA's Higher Education Graduate Fund. This figure then represents only 53% of our student needs for the coming 1985 summer term and the 1985-86 academic year.

Recommendations

We have four recommendations we believe would improve the Special Indian Graduate Program. We would like these recommendations included in your support of favorable funding to the appropriation committees of Congress on behalf of American Indian Scholarships.

First, we strongly urge that there be no decrease in funding in the 1986 budget for this program. There should, in fact, be an increase of 12% to 15% in funding over 1985.

Second, we would like to request that Congress provide a specific line-item appropriation in the BIA's budget calling for AIS to administer the Special Indian Graduate Program.

Third, we would like to request multi-year funding for the Special Indian Graduate Program. If this program were contracted for two- or three-year periods, it would lessen the disruption of services to Indian students, it would improve the efficiency of the program, and it would result in cost savings for everyone since multi-year authorization and contracting would eliminate the need for annual bidding for the program.

Fourth, we would like to renew our request for the establishment of an endowment for American Indian graduate education fellowships. Such an endowment could be created over a five-year period, with AIS responsible for matching the federal government's contribution with private source revenues.

Conclusion

Over the past 15 years, AIS has established its ability to successfully administer the BIA's Special Indian Graduate Program and to raise support from the private sector to supplement federal funding. AIS has the support of foundations and corporations from throughout the United States, college officials, national Indian organizations such as the National Congress of American Indians and the National Tribal Chairmen's Association, and present and former fellowship recipients.

We continue to operate the program with an overhead which has not exceeded 15% in the last three years, and have made significant improvements in the program administration which has improved our services to Indian graduate students.

Therefore, we request your support of the AIS program and its funding needs.

Respectfully submitted,

Lorraine P Edmo

Lorraine P. Edmo
Executive Director
American Indian Scholarships, Inc.

Exhibit A

American Indian Scholarships, Inc.

A representative listing of former AIS fellowship recipients

and their last known position.

Joe Abeyta (M.D.)	Superintendent, Santa Fe Indian School for the All Indian Pueblo Council, Santa Fe, New Mexico
Anna Albert (Ph.D.)	Assistant Administrator at the Phoenix Indian Medical Center, Arizona.
Marvin Amiotte (J.D.)	Attorney, South Dakota.
Laura Ansera	Division Director, New Mexico Employment Security Department, Albuquerque, New Mexico.
Conrad Baines	Executive Director, Northeast Alaska Native Health Services, Juneau, Alaska.
David Baines	Residency-King/Drew Medical Center; Los Angeles, California, Received Kaiser Merit Scholarship AAIP Outstanding Medical Student Award, 1981.
Lila Bird	Director, Native American Engineering Program, University of New Mexico, Albuquerque, New Mexico.
Sharon Blackwell (J.D.) ..	U.S. Regional Solicitor's Office, Tulsa, Oklahoma.
Chet Blue Sky	Department of the Interior, Southern Pueblos Agency, Tribal Government Services; Albuquerque, New Mexico.
Lionel Bordeaux	President, Sinte Gleska Community College, Rosebud, South Dakota.
Gerald Brown	Education Consultant, Indian Community Organizer, Albuquerque, New Mexico.
Duane Champagne	Faculty in Sociology, University of Wisconsin, Madison, Wisconsin.
Emmett Chase	Family Medical Practice, Pueblo, Colorado
Robert Chiago	Board Member, National Advisory Council on Indian Education, Salt Lake City, Utah.
Conroy Chino	TV Reporter, Albuquerque, New Mexico.
Leroy Clifford	Consultant to Assistant Secretary of the Interior for Indian Affairs, Washington, D.C.

Valentino Cordova	Education Superintendent, Northern Pueblos Indian Agency, Santa Fe, New Mexico.
Eddy Crawley	Dentist, Helena, Montana.
Ruey Darrow	Microbiology, St. Patrick's Hospital, Lake Charles, Louisiana.
Dee Ann DeRoin	Medical Director, IHS-Haskell Health Center, Lawrence, Kansas.
Ronald Deviana	Dentist, Belgrade, Montana.
Audrey Devlin	Assistant Health Director, St. Croix Tribal Council, Wisconsin.
Charles Eaves	Program Coordinator, Association of American Indian Physicians, Oklahoma.
Larry Echohawk	Attorney for Shoshone-Bannock Tribe of Idaho and member of the Idaho State Legislature, Fort Hall, Idaho.
Lucille Echohawk	Policy Analyst, Council of Energy Resource Tribes, Denver, Colorado.
William Edmo	Director, Education Dept., Shoshone-Bannock Tribes, Fort Hall, Idaho.
Angelita Felix	BIA Agency Superintendent for Education, Fort Berthold Agency, North Dakota.
Candace Fleming	Clinical Psychologist, Program Director, Flathead Indian Health Clinic, St. Ignatius, Montana.
Pasqualita Frenier	Social Services Director, Santa Clara Tribe, New Mexico.
Carole Garcia	Manager, Tribal Youth Center, San Carolos Apache Tribe, Arizona.
Elizabeth Garriott	Instructor, Sinte Gleska College, South Dakota.
Genevieve Gollnick	Curriculum Coordinator, Oneida Tirbe, Wisconsin.
Doctor Grants	President, Media South, Inc., Nashville, Tennessee.
Jeffrey Hamley	Student Development Specialist, Evergreen State College, Washington.
Elizabeth Harvey	Mental Health Technician, IHS, Santa Fe Indian Hospital, New Mexico.

Norma Her Many Horses	Language Arts Teacher, Red Cloud School, South Dakota.
Norbert Hill, Jr.	Executive Director, American Indian Science and Engineering Society, Boulder, Colorado.
Rasph Honhongva	Budget Analyst, Hopi Tribe, Oraibi, Arizona.
Gilliam Jackson	Program Coordinator, Cherokee Boy's Club, North Carolina.
Rita Keshena	Attorney, Menominee Tribe of Wisconsin, Keshena Wisconsin.
Woodrow Kinney	Position Classification Specialist, Oklahoma City Area Indian Health Service, Oklahoma.
Timothy LaFrance	Attorney, Private Practice, Durango, Colorado.
Lori Lauriano	Administrative Staff Member, Sandia National Laboratories, Albuquerque, New Mexico.
Arlinda Locklear (J.D.)	Attorney, Native American Rights Fund, Washington, D.C.
Gilbert Lucero	Principal, Zia Pueblo School, Zia, New Mexico.
Telesfor Lujan	Counselor, Therapist, Urban Indian Resource Center, San Francisco, California.
Beverly Mathews	Native American Student Services Coordinator, University of New Mexico.
Donald McCabe	Contracting Officer's Representative, BIA Eastern Area Office, WAshington, D.C.
Isabelle Medchill	Social Worker, School District #11, Colorado Springs, Colorado.
Joseph Moquino	Service Unit Director, Indian Health Service Hospital, Santa Fe, New Mexico.
Joe Naranjo	Social Worker, Jicarilla Apache Agency, New Mexico.
Lili Naranjo	Guidance-Counseling, Title IV Urban Indian Education, Albuquerque, New Mexico.
William Oandasan	Learning Specialist, Institute for Native American Development, Chicago, Illinois.
Gene Pekah	Education Manager, Comanche Tribe, Oklahoma.
Keewaydonoquay Peschel	Instructor of Ethnobotany/Native American Philosophy, University of Wisconsin.

Bruce Phillips	Doctor of Chiropractic Medicine
Joseph Rael	Alcoholism Coordinator, Santa Fe Indian Hospital, Santa Fe, New Mexico.
Howard Rainer	Assistant Director, Indian Services, Brigham Young University, Provo, Utah.
Joyce Reyes	Resource & Evaluation Center Director, United Indians Foundation, Seattle, Washington.
Joseph Rustick	Doctor in Residence, Phoenix, Arizona.
Rena Oyengue Salazar	Director, Indian Division, New Mexico State Department of Education, Santa Fe, New Mexico.
T. Parker Sando	Realty Specialist, Bureau of Indian Affairs, New Mexico.
Martin Seneca	Former BIA Indian Commissioner, Seneca and Associates, Washington, D.C.
Victoria Stevens (M.D.) ..	San Carlos Hospital, San Carlos Apache Reservation, Arizona.
Robert Swan	Education Director, Mississippi Choctaw Tribe, Philadelphia, Mississippi.
Patsy Tallman	Preschool Principal, Yakima Indian Nation, Toppenish, Washington.
Georgiana Tiger	Legislative Analyst and Education Consultant, Washington, D.C.
Michael Trujillo	Doctor in Charge, Laguna-Acoma Indian Hospital, Laguna, New Mexico.
Louis Tyon	Athletic Director, Little Wound School, Kyle, South Dakota.
Beverly Valley	Office Manager, Acoma Pueblo, New Mexico.
Edwin Vedolla	Teacher, Ukian Unified School District, California.
Della Warrior	Director, Title IV Indian Education Program, Albuquerque, New Mexico.
Tennyson Welbourne	Director, Services Unit, Indian Health Service, Owyhee, Nevada.
Henrietta Whiteman	Director of Native American Studies, University of Montana, Missoula, Montana.
Gary Work (M.D.)	Residency-Texas Tech Teaching Hospital, Texas, Received CIBA Award 1980.
Martha Yallup	Education Division Director, Yakima Nation, Washington.
Mary Jean Yazzie	Mental Health Therapist, Four Corners Mental Health, Farmington, New Mexico.

Exhibit B

American Indian Scholarships, Inc.

Statistical Reports on 1984-85 Fellows

This is a preliminary report on the 205 graduate fellowships AIS has awarded to American Indian and Alaska Native students as of February 1985. The final report on the 1984-85 academic year will not be complete until July 1985.

Report No. 1: Fields of Study

Of the 205 fellows, 68 (or 33%) are pursuing advanced degrees in the BIA's four priority fields of health, business, natural resources, and engineering. In category 7 below — All Other Fields — 41 fellows are studying for advanced degrees in 15 different disciplines.

Fields of Study:	Doctorates:	Masters:	Cert.:	Totals:	
1. Health & Related Fields					
Medicine	10 M.D.			10	
Dentistry	2 D.D.S.			2	
Veterinary Medicine	3 D.V.M.			3	
Public Health	2 Ph.D.	8 M.P.H.'s		10	
Other Health Fields		8		8	
				33	(16%)
2. Business & Related Fields					
Business Administration		13 M.B.A.		13	
Public Administration		9 M.P.A.		9	
Public Policy & Administration	2 Ph.D.	2		4	
Urban & Regional Planning		3		3	
Other Business Fields		2		2	
				31	(15%)
3. Natural Resources & Related Fields					
Agricultural Studies		1	1	2	(1%)
4. Engineering & Related Fields					
Civil Engineering		1		1	
Architecture		1		1	
				2	(1%)
5. Education & Related Fields	16 Ph.D.	39	3	58	(28%)
6. Public Affairs & Services					
Social Work		26		26	
Counselling	1 Ph.D.	6	3	10	
Human Services		1		1	
Corrections		1		1	
				38	(19%)
7. All Other Fields	13 Ph.D.	27	1	41	(20%)
TOTALS:	49 Doctorates (24%)	148 Masters (72%)	8 Cert.'s (4%)	205	

Report No. 2: State & Tribal Representation

The 205 fellows represent 65 Indian tribes and Alaska Native groups in 16 different states.

Alaska	3
Athapascan	1
Eskimo	2

Arizona	22
Hopi	1
Hualapai	1
Navajo	13
Pascua Yaqui	1
White Mountain Apache	1

Kansas	2
Prarie Band of Potawatomi	2

Maine	1
Passamaquoddy	1

Michigan	1
Grand River Ottawa	1

Minnesota	8
Leech Lake Minnesota Chippewa	1
Nett Lake Minnesota Chippewa	2
Red Lake Minnesota Chippewa	2
White Earth Minnesota Chippewa	3

Montana	9
Assiniboine & Sioux	2
Blackfeet	2
Chippewa-Cree	3
Crow	1
Salish & Kootenai	1

Nebraska	4
Omaha	4

New Mexico	16
Acoma Pueblo	1
Jemez Pueblo	3
Laguna Pueblo	7
Pojoaque Pueblo	1
Santo Domingo Pueblo	3
Jicarilla Apache	1

New York	7
Oneida	1
Seneca	6

North Dakota	13
Devil's Lake Sioux	1
Three Affiliated Tribes	6
Turtle Mountain Chippewa	6

Oklahoma	40
Cherokee	9
Choctaw	2
Comanche	6
Creek	5
Kickapoo	2
Kiowa	5
Osage	2
Otoe-Missouria	1
Pawnee	4
Ponca	1
Seminole	2
Seneca-Cayuga	1

South Dakota	39
Cheyenne River Sioux	6
Crow Creek Sioux	2
Lower Brule Sioux	1
Oglala Sioux	14
Rosebud Sioux	10
Santee Sioux	1
Sisseton-Wahpeton Sioux	2
Standing Rock Sioux	2
Yankton Sioux	1

Washington	13
Clallam	1
Colville	6
Lummi	2
Makah	1
Puyallup	1
Quninult	1
Yakima	1

Wisconsin	13
La Courte Oreilles	1
Lac du Flambeau Chippewa	2
Menominee	1
Oneida	8
St. Croix Chippewa	1

Wyoming	2
Northern Arapahoe	2

Report No. 3: Colleges and Universities

The 205 fellows are attending 97 college campuses in 29 states and England.

Arizona	11
Arizona State University	5
Northern Arizona University	1
University of Arizona	5

California	28
California Baptist College	1
Calif. School of Prof. Psych.	1
Calif. State Univ./Bakersfield	1
Calif. State Univ./Chico	2
Calif. State Univ./Dominguez Hills	1
Calif. State Univ./Long Beach	1
California State Univ./Sacramento	1
Humboldt State College	1
International College	1
San Diego State University	1
San Francisco State University	2
San Jose State University	1
Univ. of California/Berkeley	8
Univ. of California/Los Angeles	3
University for Humanistic Studies	1
University of the Pacific	1
University of Southern California	1
Western State University	1

Colorado	8
Colorado State University	1
University of Colorado	3
University of Colorado/Denver	2
University of Denver	2

District of Columbia	1
The American University	1

Florida	1
Nova University	1

Illinois	4
Erikson Institute	1
Northwestern University	1
Southern Illinois University	1
University of Illinois	1

Indiana	2
Indiana University	1
University of Notre Dame	1

Iowa	5
Iowa State University	2
Univ. of Dubuque Theo. Sem.	2
University of Iowa	1

Kansas	2
Kansas University	1
Washburn University	1

Louisiana	1
University of New Orleans	1

Massachusetts	8
Harvard University	3
Mass. Institute of Technology	2
Southeastern Massachusetts Univ.	1
Tufts University	1
University of Massachusetts	1

Michigan	2
University of Michigan	1
Wayne State University	1

Minnesota	11
College of St. Thomas	1
Mayo Medical School	1
University of Minnesota	8
University of Minnesota/Duluth	1

Missouri	2
University of Missouri/Kansas City	1
Washington University/St. Louis	1

Montana	6
College of Great Falls	1
Eastern Montana College	1
Montana State University	2
University of Montana	2

Nebraska	6
University of Nebraska	5
University of Nebraska/Omaha	1

New Mexico	13
Eastern New Mexico University	1
New Mexico State University	1
University of New Mexico	11

New York	3
Colgate Rochester Divinity School	1
Pace University	1
State Univ. of New York/Buffalo	1

North Carolina	1
University of North Carolina	1

North Dakota	3
Mary College	1
University of North Dakota	2

Ohio	2
Bowling Green State University	1
Ohio State University	1

Oklahoma	27
Oklahoma City University	1
Oklahoma State University	1
Oral Roberts University	2
Northeastern State University	6
Southwestern Oklahoma State Univ.	1
University of Oklahoma	15
University of Tulsa	1

Oregon	3
Oregon Health Science Center	1
University of Oregon	2

Pennsylvania	4
Pennsylvania State University	4

South Dakota	14
Northern State College	1
South Dakota State University	2
University of South Dakota	11

Texas	2
Our Lady of the Lake University	1
Texas Tech University	1

Utah	11
Brigham Young University	3
University of Utah	7
Utah State University	1

Washington	12
Eastern Washington University	1
Heritage College	5
Pacific Lutheran University	1
University of Washington	4
Washington State University	1

Wisconsin	10
Univ. of Wisconsin	3
Univ. of Wisconsin/Milwaukee	4
Univ. of Wisconsin/Oshkosh	1
Univ. of Wisconsin/River Falls	2

England	1
Exeter College	1

Exhibit C

AIS Board of Directors

Joy Sundberg, President Yurok/California	Tribal Chairperson, Yurok Tribe, Trinidad, California.
Marvin Franklin, Vice President Iowa/Oklahoma	President, Indian Development Foundation. Bartlesville, Oklahoma. Former Assistant to the Secretary of the Interior for Indian Affairs, 1973-74.
Alice Bathke, Secretary-Treasurer Navajo/New Mexico	Volunteer fund raiser and organizer for Indian events in New Mexico.
Lionel Bordeaux Rosebud Sioux/South Dakota	President, Sinte Gleska Community College, Rosebud Sioux Reservation, South Dakota. Member of the Indian Affairs Committee, Phelps-Stokes Fund, Washington, D.C. Former President of the American Indian Higher Education Consortium.
Rose Robinson Hopi/Arizona	Vice President, Phelps-Stokes Fund, Washington, D.C. (Director of Indian Programs).
Martha Yallup Yakima/Washington	Director, Division of Education, Yakima Tribe, Washington. Board of Regents, Haskell Junior College, Lawrence, Kansas. Executive Board member, Heritage College, Washington. Board member, Kamaiken Research Institute.
Judy Deer, Student Representative Kickapoo/Oklahoma	Graduate Student in Public Administration, University of New Mexico, Albuquerque, New Mexico. Former member of the Kickapoo Tribal Council.

Director Emeritus

John C. Rainer Taos Pueblo/New Mexico	Retired as AIS Director after 14 years of service to the organization, 1969-1983.

American
Psychiatric
Association

1400 K Street, N.W.
Washington, D.C. 20005
Telephone: (202) 682-6000

Board of Trustees, 1984-1985

John A. Talbott, M.D.
President

Carol C. Nadelson, M.D.
President Elect

Elissa P. Benedek, M.D.
Vice President

Irwin N. Perr, M.D.
Vice President

Shervert H. Frazier, M.D.
Secretary

George H. Pollock, M.D.
Treasurer

Daniel X. Freedman, M.D.
H. Keith H. Brodie, M.D.
George Tarjan, M.D.
Past Presidents

Lawrence Hartmann, M.D.
Robert J. Campbell, III, M.D.
John J. McGrath, M.D.
Leigh M. Roberts, M.D.
Pete C. Palasota, M.D.
Paul F. Slawson, M.D.
Hugo Van Dooren, M.D.
Boris M. Astrachan, M.D.
Naomi Goldstein, M.D.
Lindbergh S. Sata, M.D.

Assembly, 1984-1985

Fred Gottlieb, M.D.
Speaker

James M. Trench, M.D.
Speaker Elect

Aron Wolf, M.D.
Recorder

John C. Nemiah, M.D., *Editor*
American Journal of Psychiatry

John A. Talbott, M.D., *Editor*
Hospital & Community Psychiatry

Robert J. Campbell III, M.D., *Editor*
Psychiatric News

Melvin Sabshin, M.D.
Medical Director

John Blamphin
Director, Public Affairs

Jay B. Cutler, J.D.
Special Counsel and Director, Government Relations

Donald W. Hammersley, M.D.
Deputy Medical Director

Ronald E. McMillen
Director, Publications and Marketing

Carolyn B. Robinowitz, M.D.
Deputy Medical Director

Steven S. Sharfstein, M.D.
Deputy Medical Director

Jeanne Spurlock, M.D.
Deputy Medical Director

Jack W. White, D.B.A.
Deputy Director, Business Administration

RECEIVED MAR [illegible] 1985

March 13, 1985

Hon. Mark Andrews, Chairman
Select Committee on Indian Affairs
421 Dirksen Senate Office Building
Washington, D.C. [illegible]

Dear Mr. Chairman:

When the Select Committee on Indian Affairs meets to develop its recommendations to the Budget Committee on the programs within its jurisdiction, the American Psychiatric Association, a medical specialty society representing over 30,000 psychiatrists nationwide, urges you to recommend they include report language supporting the continuation of adequate funding for Urban Indian Health Projects. As you know, through your leadership, the program is currently funded at $9.8 million.

A large percentage of the over 50% of the American Indian population who now reside in urban communities across the nation was moved to urban areas as a result of the Federal government's massive relocation during the 1950's. The Urban Indian Health Program presently contracts with 37 urban Indian health organizations located in cities throughout the United States to make health services more accessible to this medically underserved Indian population. We very much support the fact that the wide range of medical care provided includes greatly needed mental health and alcoholism services.

We trust you will share with the Budget Committee the concern that the Administration's FY '86 budget request again proposes the elimination of the Urban Indian Health Program under the assumption that these non-reservation Indians will be eligible for services funded with alternative resources. It is our experience that neither state nor local governments are able or willing to assume this added responsibility.

While the Urban Indian Health program is our primary concern, we are additionally troubled by the Administration's budget proposals for other programs within the Indian Health Service. For instance, the FY '86 budget proposes reduction in clinical and preventive care; the elimination of critical programs for Community Health Representatives and Tribal Management; and a halt to the construction of hospitals and outpatient clinics. If adopted, these recommendations would deprive the already underserved Indian population of desperately needed primary and preventive physical and mental health services, almost certainly resulting in increased mortality and morbidity.

We urge you to continue your efforts to alleviate the tremendous unmet health care needs of the Indian people by supporting the resources necessary to deliver quality care to all Native Americans, whether they live on reservations or in urban communities.

Thank you for your consideration of our views in your Budget Committee submission goals.

Sincerely,

Melvin Sabshin

Melvin Sabshin, M.D.
Medical Director

MS/pr/mg

cc: Members, Select Committee on Indian Affairs

BETHEL NATIVE CORP
BOX 719
BETHEL, ALASKA 99559

RECEIVED MAR 13 1985

March 7, 1985

Honorable Mark A. Andrews
Chairman
Senate Select Committee on Indian Affairs
United States Senate
Washington D.C. 20510

Dear Mr. Honorable Andrews:

Bethel Native Corporation has been dilegently attempting to resolve the conflict of the Bethel Hospital being build on native corporation selected land by proposing to purchase the hospital and lease it back to I.H.S.

We recognize that this is an extremely complex issue and have sought legislative approval to transact the sale. However, there has been legitimate concern on the part of our legislators and area administrators that the funds for this lease would would directly impact future funding for the Alaska Native Health Service thus limiting the quality of services that the hospital presently provides.

BNC additionally understands the importance of health care in our community and does not wish to jeopardize these services in Bethel as well as other native communities throughout Alaska.

Although the sale/leaseback is a sound business proposal that in many ways could benefit both BNC and IHS, a simpler plan could be negotiated. Realizing that BLM has determined that the land is legitimately BNC's, and IHS has built a hospital on this land, fair compensation to BNC in the form of a land sale can be accomplished.

It has been determined that the annual lease payment would be an estimated $7 million a year. Estimated land value is approximately $6 million. A one time, congressionally approved appropriation would certainly resolve any problems facing this issue. The hospital would remain in Federal ownership and the land would be included in its assets. Present services now offered by PHS could continue without fear of budget setbacks.

We feel this is an excellent proposal and opportunity to rectify an awkward situation created by the Government and also strenghten the economic base of our village corporation and community. We ask for your support in this new direction.

Sincerely,

Ron Baker

Ron Baker
Acting General Manager

PREPARED TESTIMONY OF THE BLACKFEET TRIBE OF THE BLACKFEET INDIAN NATION, PREPARED BY EARL OLD PERSON, CHAIRMAN OF THE BLACKFEET TRIBAL BUSINESS COUNCIL

Honorable Chairman, my name is Earl Old Person, Chairman and Chief of the Blackfeet Tribe. On behalf of the Blackfeet people, I would like to submit to you and members of the Senate Appropriations of Indian Affairs Committee, written testimony concerning a very critical health need on the Blackfeet Indian Reservation. This need is the lack of proposed staffing to operate the recently constructed community hospital on the Blackfeet Reservation in which this committee was instrumental in securing.

On May 22, 1981, Indian Health Service, with assistance from the Blackfeet Tribe, completed the Program Information Document (PID), that was approved by Congress to begin building the hospital at Browning, Montana. This PID contains general information, such as space requirements, staffing schedules, functional relationships, and a staffing summary.

On pages 18 and 19 of this document, the staffing requirements are laid out based on application of the Resource Allocation Criteria Manual (RAC). This staffing summary calls for an additional 117.5 positions. However, when the planning proceeded with the staffing I.H.S. requested only 57 new positions. When this request was made to Public Health Service, a department above I.H.S., only 41 positions were allowed.

This action creates many problems in that it would almost be senseless to open the new facility without the needed staff to operate it in an efficient and effective manner. This would place an additional burden on an already over-worked medical staff.

On November 7, 1984, a meeting was held between the Blackfeet Tribal Business Council and the Billings Area I.H.S. Director, who indicated that I.H.S. intends to increase the services to include a surgery program. This is totally unrealistic in the sense that it would take more funds than I.H.S. has available for the I.H.S. Hospital in Browning to adequately operate this program, along with meeting the already unmet needs of the Service Unit population.

Indian Health Service has established a committee of individuals to assess and make recommendations concerning the minimum staffing requirements with and without a surgery program. On March 7, 1985, their options were discussed at length with the Tribal Business Council. Personnel from I.H.S. indicated that they are planning to provide surgery service within the 41 position increase for the Browning Hospital.

It would be initiated as a two surgeon, two anesthetist system with the capacity to provide 24 hour coverage for emergency trauma, acute medical crises and cesarean sections, as well as scheduled elective procedures. This team composition would allow the Service Unit to provide elective surgery services to other service units and would require the use of nine (9) positions.

Indian Health Service personnel also indicated that a surgical referral system is both risky and excessively expensive, therefore, surgical services at Browning is preferred. The Tribal Business Council was assured at this meeting that I.H.S. would not compromise their ability to provide quality services to the Blackfeet people. It is the Tribe's position, Surgery is a needed service, however, if a surgery program is established, staffing would have to be in addition to staff already committed.

Several members of the Blackfeet Tribal Business Council have indicated the Tribe is very seriously considering contracting the Hospital after it is constructed and is under operation. However, if the staffing is inadequate, the Tribe under no circumstances would attempt to manage this facility. In attempts to negotiate staffing requirements laid out by the RAC requirements, the Tribe is requesting no less than 75 percent of the required 117.5 positions from Congress, and is also requesting that the position ceiling for the Billings Area be increased to reflect this additional staff. This would call for 46 additional positions in FY86 to open and operate the new hospital over and above the 41 already allocated in FY86. In terms of dollars, this would amount to $30,000 per position. Therefore, the Blackfeet Tribe is requesting an additional amount of $1,380,000 for staffing.

Attached, you will find the staffing requirements determined by the Resource Allocation Criteria Manual approved in the Program Information Document of May 22, 1981.

	SECTIONS	CURRENT POSITIONS	ADDITIONAL REQUIRED	[illegible]
11.0	Acute Care Nursing	18	12.5	30.5
12.0	Nursery	Staffed from OB		
14.0	Delivery	Staffed from OB		
21.0	Laboratory/Pathology	4	4	8
22.0	Radiology	2	1.2	3.2
31.0	Emergency	Staffed from OPD		
32.0	Outpatient Department	14	12	26
33.0	Community Health Department	12	23.5	35.5
34.0	Dental Clinic	8	7	15
35.0	Pharmacy	3	8	11
36.0	Physical Therapy	-	3	3
41.0	Administrative Services	9	6	15
42.0	Health Records	6	4	10
43.0	Employee Facilities	No staff required		
44.0	Consulting/Training	No staff required		
45.0	Public Facilities	No staff required		
51.0	Central Sterile & Reprocessing	-	2	2
52.0	Central Stores	3	3	6
53.0	Dietetics Services	6	4	10
54.0	Housekeeping & Linen	6	9.5	15.5
55.0	Maintenance	6	17.8	23.8
56.0	Building Services	No staff required		
	Total	97	117.5	214.5

BRISTOL BAY AREA HEALTH CORPORATION

P.O. Box 3050
DILLINGHAM, ALASKA 99576

PHONE: (907) 842-5201

March 5, 1985

RECEIVED MAR 1[illegible] 1985

The Honorable Mark Andrews, Chairman
Select Committee on Indian Affairs
SH-830 Hart Senate Office Building
Washington, D.C. 20510

ATTN: Ms. Patrica Zell

We have several short comments for the record on your recently held hearings on S.277 and the F.Y. 1986 budget request.

As you are aware Congress appropriated funds to plan for and build the Kanakanak Hospital. First appropriation was in F.Y. 1980, we beleive. Thank you.

Our concern is not Congress' recognition of our need. Our concern is with the Administration for bogging down the process and in turn wasting thousands of dollars due to inflation.

We won't bore you with the many problems that were partially resolved after lengthy negotiations, as it dealt with the design work, but we feel much improvement is needed from that beginning conceptual stage. We do not feel there are any clear regulations on PL 93-638 Contracting. We do not feel the government is committed to resolving this issue expeditiously for many reasons - politics, turfism and etc. Some exceptions can however be noted in via sympathetic individuals, Also, there still appears to be a problem as to who really has the authority to approve a large PL 93-638 Construction Contract.

Players, as we see it, are ourselves, (Tribal Organization on behalf of 32 tribes - the proposed receiver of the benefits from our new facility); Choggiung Ltd, proposed contractor; Alaska Area Native Health Service; Regional Office Facilities Engineering and Construction (ROFEC); Region X; IHS Headquarters; HRSA and PHS. For some reason, there appear to be undue delays at the various levels by administrative and legal folks. Is this duplication? There appear to be no reason from our viewpoint to hold up a project that will in turn cost much, much more if the regular scheduled shipping mechanisms to Alaska from the Lower 48 are missed due to further delays. Your construction experts can enlighten you on the high costs of Alaskan construction and what delays do to that.

We do not know if the problem of asbestos removal when the old site is disturbed is even considered in the cost of rennovation and construction. We hope this will not delay anything. Your consideration of an increased operation and maintenance budget to accommodate our new hospital in F.Y. 1987 is respectfully requested.

As we have noted before, we are in strong support of the reauthorization of the Indian Health Care Improvement Act which we understand is now numbered as S.277. Title VI, elevation of IHS to an agency level, is much to our liking.

The Administration's F.Y. 1986 budget request to Congress deleting the CHR program ($25.4 million) Tribal Management ($2.4 million) and proposing slight reductions to Preventive Health activities as well as a large deduction to the Health facilities portion of the budget, should be reinstated based on (clearly demonstrated) need.

Thank you for your consideration.

Sincerely,

BRISTOL BAY AREA HEALTH CORPORATION

Robert J. Clark

Robert J. Clark
Executive Director

cc: Senator Stevens
Senator Murkowski
Senator McClure
Mike Rowe
Executive Committee
Division Directors
Rep. Young
Rep. Udall
Rep. Yates
Alaska Native Health Board

RECEIVED MAR 12 1985

the episcopal diocese of oklahoma

1985 MAR 1 [illegible]

March 7, 1985

The Hon. Mark Andrews
United States Senate
Washington DC 20510

Dear Senator Andrews,

The Oklahoma Committee on Indian Work is an all Indian organization within the Episcopal Diocese of Oklahoma. Our major function is to educate non-Indians about Indian concerns and to take an advocacy role on issues affecting Indian peoples.

It has come to our attention that the administration budget for the Indian Health Service has again neglected to include funds for the Urban Indian Health Clinics. Unfortunately, this neglect deprives about half the Indian population of the United States of health care they should be entitled to under their treaties and agreements with the U.S. As Indian church people, we believe the moral thing to do is restore the funds and we ask your help to do so.

Faithfully,

Gerald Mason

Oklahoma Committee on Indian Work
The Rev. Gerald Mason, Director

P.O. Box 1096 • Oklahoma City, Oklahoma 73101 • 405-232-4820

PREPARED TESTIMONY OF THE NATIONAL INDIAN EDUCATION ASSOCIATION SUBMITTED BY KAREN CORNELIUS-FENTON, PRESIDENT

My name is Karen Cornelius-Fenton (Flathead/Oneida) and I am the current President of the National Indian Education Association. It is in that capacity that I submit this testimony; however, in addition, I am President of the Montana Indian Education Association and am currently employed as Coordinator for Native American Community/University Relations at Montana State University in Bozeman, Montana.

On behalf of the National Indian Education Association, I would like to thank Senator Andrews, the members and staff of the Senate Select Committee on Indian Affairs for the opportunity to submit written testimony to the committee relative to the educational issues/concerns facing the American Indian people in the coming year. I would like to also thank you for allowing Dr. Lloyd Elm, Buffalo, New York, to represent us at the hearings held February 27, 1985.

The National Indian Education Association is a membership organization with a national constituency of slightly more than two thousand (2000) members; our membership is composed of professional Indian educators, Indian School board members, parents, students and other interested people - all with vital concerns and involvement in the numerous, diverse programs designed to improve the education of the American Indian. The Association is governed by a fifteen member, all Indian Board of Directors, who are elected by the membership and who represent diversified geographic and tribal backgrounds.

The Reagan Administration continues to question the federal role in the education of Indian people, and hold to the philosophy that the education of the American Indian is not a trust responsibility. How then, as the leaders of a country that once belonged to the Indians, can they overlook the fact that numerous treaties entered into between the United States government and the tribes contained provisions for educational services; in addition, a series of executive orders and congressional acts have sequentially portrayed the commitment of this great country to educate its Indian population.

These date back to the 1700's when, for example, in 1775, the Continental Congress approved $500 to educate Indians at Dartmouth College; to 1879 when Carlisle Indian School was established; to 1921, when the Snyder Act authorized program services to Indians through the Bureau of Indian Affairs; 1934 saw the passage of the Johnson O'Malley Act authorizing education, medical and agricultural assistance for Indians, in 1950 the federal government recognized their responsibility to provide financial assistance to public schools educating Indian children whose parents reside on tax-exempt, federal property through the Impact Aid/Public School Construction Act; to 1960 when President Dwight D. Eisenhower instructed the Secretary of Interior to accelerate efforts in providing education for all Indian children; in early '70's, President Nixon announced an era of Indian control over decisions affecting that particular constituency and that included education; in 1972, through the passage of Title IV, the Indian Education Act, the special educational and culturally relevant academic needs of Indian children and adults were addressed; in 1975, the Indian Self-Determination and Education Assistance Act granted tribes the right to contract for programs previously administered by the Bureau of Indian Affairs. This brief chronology by no means contains all actions relative to Indian education but does highlight this country's efforts to meet the educational needs of its' Indian people.

During the first term of the Reagan Administration, we were faced with the threat of the eliminations of Title IV and the vast reduction in Impact Aid, both vitally important programs to the development of quality education for our young Indian people. Fortunately, the attempts by the Administration to eliminate these vital programs were overridden by Congress; a Congress which obviously is more committed and responsive to the needs of the Indian people. During the first term of this Administration, we heard President Reagan, through his Indian Policy Statement, call for "economic self-sufficiency" while at the same time proposing elimination of or reduction in these two important programs. Certainly, we as Indian people, want economic self-sufficiency but education is the tool to attaining that ultimate goal. Without effective, quality education, we will continue to be under-educated, and under-employed.

NIEA is concerned with the totality of programs that affect American Indians. However, our testimony will focus on the administration's FY 86 budget proposal to eliminate Johnson O'Malley funding and failure to request school Construction funds to construct Bureau of Indian Affairs and Indian contract schools. Other concerns will also be addressed, as well as recommendations relevant to those concerns.

The Johnson O'Malley program from its inception in 1934 has played a significant role in the education of our Indian students in public schools or adjacent to Indian reservations across the country. For over fifty years, this supplemental program has offered programs/activities which would otherwise not be available to Indian youth; and their special needs programs providing for tutoring, services of home/school coordinators, varying forms of counseling services, special transportation and activity needs, to name only a few. Johnson O'Malley currently serves approximately 180,000 American Indian and Alaska Native students (k-12). Bureau of Indian officials claim that there is "potential" for duplication of services. Is this not the same argument used two years ago when they proposed the Title IV program. At that time, the conclusions were that Title IV and JO'M are not duplicative. The report language states that the accountants doing the study feel "in their opinion" that the money would be better spent on other activities; accountants are not educators who are aware of the diverse cultural and social needs of Indian children.

The argument that other programs can fill the void created by the elimination of JO'M is simply not credible. Chapter I programs are basically remedial and are ranked on needs analysis. Title IV is for a far broader, more diverse Indian population and can be utilized in the large urban areas. A critical issue with Title IV is that it cannot be tribally contracted as can JO'M. There is no mandate or specific provision that Impact Aid funds be spent to meet the special needs of a schools Indian students; these funds go into the general fund and there is no specific provision for parental/tribal input as to utilization of said funds. Bureau of Indian Affairs officials are also claiming misuse and improper administration of funds.

Is it not the responsibility of the BIA to monitor these programs? It appears that the BIA's administrative practices are more in question here then the substantive value and worth of the programs serving the students and community.

As I recall, P.L. 95-561 calls for a process for tribal consultation; why, then, were tribes not consulted prior to this administrative arbitrary decision to eliminate JO'M? This, also appears to be an easy process to eliminate Indian community control and parental input.

I stated earlier, over 180,000 American Indian and Alaska Native students would be ~~affecte~~d nationally; because I am from the Northwest, I am going to give some statistics from three of our states in that area:

State	Eligible Students Served
Montana	7,514
Oregon	1,724
Washington	5,740

These 14,000+ students are the real losers in this situations. Will we once again be faced with critically high drop-out rates? Attrition rates have dropped substantially in the past 10 to 15 years; the decrease is due, to a large extent, to effective tutoring and counseling programs, many in the form of individualized instruction, small group instruction and/or culturally relevant instruction - programs made possible by JO'M.

I could go on and on citing the need for JO'M programs, but I would certainly become redundant. As a parent of two young Indian children, a former teacher, a former tribal education director and a member of the NIEA Board of Directors, I speak from my heart when I ask you as members of the Senate Select Committee on Indian Affairs to consider the implications this administrative proposal to eliminate JO'M will have on not only the present Indian children but that of those yet to come.

We strongly urge you to work to your fullest to assist in the restoration of this vital program with adequate funding to develop effective programs for our Indian youth.

Another major concern of NIEA is the lack of funding requests for school construction. In Montana alone, this seriously affects construction of two tribal contract high schools. These two schools one on the Flathead Reservation and one on the Rocky Boys Reservation, are at the top of the national priority list for school construction in FY 86. Let me describe to you the type of facility that the students of Two Eagle River Tribal School on the Flathead Reservation must attend. The main school building is the former tribal office at Dixon, which was until approximately 1968, the main administrative office of the Bureau of Indian Affairs. This "old" building has certainly served it's purpose(s) over a lengthy period. It has been remodeled numerous times. Actually, this building, though old and in continual need of repair, is about 100% safer and better suited to serve young people than was the original tribal school building. That building was the first employee club building housing BIA employees at the original Flathead BIA Agency. It has to be a least seventy to eighty years old, was condemned prior to its use as the first tribal school. When the Flathead Tribal Alternative School, later to be Two Eagle River Tribal School, was first established, this building was basically all that was available to us; I say "us" because I was at that time, Tribal Education Director for the Confederated Salish & Kootenai Tribes and served on the first school board for that school. The present facility, though far superior to the original by no means serves the educational needs of the ever increasing student enrollment. Classes are held in various old buildings, one being the condemned BIA jail. In short, lack of construction funding is a serious threat and detriment to the quality education of an annual enrollment of 80-100 Indian high school students.

I have attached a copy of resolution #20-85 from the Chippewa-Cree Tribe of the Rocky Boys Reservation relevant to their tribal high school.

Another major concern of NIEA is the inadequate funding for the tribally controlled colleges. Since FY 81, the colleges have experienced a steady decline in per student expenditure; student FTE's have increased by approximately 67% while appropriations have declined by 20%. We are supportive of the $10.6 million as requested by the American Indian Higher Education Consortium; $10.6 million would return the FTE expenditure to the 1981 level.

Relative to Title IV, I am pleased to see that it did not get "red-lined" this fiscal year. This, by no means, gives us a feeling of optimism for the future of this most important program. Also, level funding, though certainly better than none, is totally inadequate. Once again, we would recommend funding no less than the FY 81 level.

Though this by no means addresses the broad concerns of NIEA, it focuses on some of the key issues. I have attached copies of resolutions passed at the 16th Annual NIEA convention which address additional concerns of our membership.

Thank you for the opportunity to submit written testimony. I would also like to extend my appreciation to you for allowing Dr. Lloyd Elm, a former NIEA Board member, to testify on our behalf on February 27, 1985.

NATIONAL INDIAN EDUCATION ASSOCIATION

1115 SECOND AVENUE SOUTH
IVY TOWER BUILDING
MINNEAPOLIS, MN 55403
PHONE 612-333-5341

RESOLUTION NO. 84-01

WHEREAS:

1. The majority of public schools in the United States operate on maintenance and operation budgets which are established and approved prior to the beginning of the school year; and

2. With the exception of Title IV, the Indian Education Act, federal programs funding Indian education are funded on a year by year basis, with funds applied to the same school year in which they are appropriated; and

3. The Federal fiscal year begins in October, after the commencement of the school year, and final approval of the federal budget for Indian education programs is often delayed beyond the commencement of the fiscal year, causing delays in receiving notices of allotment, receiving education program funds and establishing firm budgets; and

4. The delays caused by the funding of Indian education programs cause hardship to these programs, produce costly administration problems, interfere with education planning and impair the excellence of academic programs.

NOW THEREFORE, BE IT RESOLVED:

1. The National Indian Education Association strongly supports the establishment of forward funding of all federal Indian education programs, and programs providing significant funding for the education of Indian students, commencing in Fiscal Year 1985, so that it may impact the 1985-86 school year.

2. The Association supports provision of permanent forward funding for these programs commencing with the 1986 fiscal year. Such provision should apply to funding of the Indian School Equalization Formula (ISEF), Impact Aid, the Johnson O'Malley program, and Chapter I.

3. The Association directs its executive board to provide information to the Congress of the United States regarding forward funding of Indian Education Programs, as expressed in this resolution.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the National Indian Education Association, at a duly called meeting held in Phoenix, Arizona, at which a quorum was present, and that same was passed by a Convention of the Association by a vote of ________ in favor, ________ opposed, this ________ day of November, 1984.

John Tippeconnic
John Tippeconnic, President
National Indian Education Association

Karen Cornelius-Fenton
Karen Cornelius-Fenton, Chairperson
Resolutions Committee

NATIONAL INDIAN EDUCATION ASSOCIATION

1115 SECOND AVENUE SOUTH
IVY TOWER BUILDING
MINNEAPOLIS, MN 55403
PHONE 612-333-5341

RESOLUTION NO. 84-03

WHEREAS:

1. The Indian Education Act, since its passage by Congress in 1972, has provided significant assistance for the improvement of educational programs for Indian students, and

2. The provision of the Indian Education Act has enabled Indian tribes, Indian schools and Indian organizations to plan and implement many new and innovative programs benefitting Indian students, and

3. The Indian Education Act has provided specific opportunities for Indian parents and students to be actively involved in the design and operation of educational programs, and

4. Congress has only provided a two year re-authorization of the Indian Education Act and the U.S. Department of Education has revised the regulations diluting authority of Indian parent committees, and

5. The Senate Select Committee on Indian Affairs is scheduling hearings in regard to the Act;

NOW THEREFORE BE IT RESOLVED THAT:

1. That the NIEA urges Indian tribes, schools and organizations to prepare careful documentation of the benefits provided by the Indian Education Act for submission to Congress, and

2. That the NIEA urges the U.S. Department of Education to restore full authority to Indian parent committees to ensure that schools use these funds to address the real needs of Indian students, and

3. That the NIEA urges Congress to provide at least full five year re-authorization for the program and to increase the appropriation levels for all components of the program, due to the many positive achievements that have been realized even though the funding levels have not been increased for several years.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the National Indian Education Association, at a duly called meeting held at Phoenix, Arizona, at which a quorum was present, and that same was passed by a Convention of the Association by a vote of ______ in favor, ______ opposed, this ______ day of November, 1984.

John Tippeconnic

John Tippeconnic, President
National Indian Education Association

Karen Cornelius-Fenton

Karen Cornelius-Fenton, Chairperson
Resolutions Committee

NATIONAL INDIAN EDUCATION ASSOCIATION

1115 SECOND AVENUE SOUTH
IVY TOWER BUILDING
MINNEAPOLIS, MN 55403
PHONE 612-333-5341

RESOLUTION NO. 84-04

WHEREAS:

1. NIEA is concerned for quality education and health care of American Indian people, and;

2. The INMED Program is the most successful Indian-focused medical careers preparatory and University training program and receives support and direction from 22 tribes within a five-state area; North Dakota, South Dakota, Montana, Wyoming, and Nebraska, but accepts students from the whole Indian Nation, and;

3. INMED has been successfullly producing Indian health professionals of the highest quality for 11 years, and supports college and professional students, as well as (50) high school students during the summer, and;

4. INMED has been responsible for the identification, retention and graduation of 37 Indian and Alaskan Native medical doctors, one dentist, 2 registered nurses, 2 masters of public health, 1 physical therapist, 2 health educators, and one medical technologist for a total of 46 professional graduates, and;

5. the INMED program works with students from 7th grade through medical and other health professional schools including a junior and high school summer institute five-week program, and;

THEREFORE BE IT RESOLVED:

1. The NIEA supports the Indians Into Medicine Program (INMED) to continue support and the training of Indian health professionals, and;

2. that NIEA supports the efforts of the Indians Into Medicine Program (INMED) as it is essential to the development of American Indian health professional manpower and the improved health status of American Indian people.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the National Indian Education Association assembled at its annual convention in Phoenix, Arizona at which a quorum was present and that same passed by vote of ____ in favor, and ____ opposed, this ________ day of November, 1984.

John Tippeconnic
John Tippeconnic, President
National Indian Education Association

Karen Cornelius-Fenton
Karen Cornelius-Fenton, Chairperson
Resolutions Committee

NATIONAL INDIAN EDUCATION ASSOCIATION

1115 SECOND AVENUE SOUTH
IVY TOWER BUILDING
MINNEAPOLIS, MN 55403
PHONE 612-333-5341

RESOLUTION NO. 84-6

WHEREAS:

1. Vocational Education Act has provided training skills for tribes across the nation to support their progress toward economic self-sufficiency; and

2. The Vocational Education Programs of the Office of Vocational and Adult Education and the U.S. Department of Education have provided opportunities to expand Indian vocational education efforts; and

3. The 1.25% set-aside by the Vocational Education Act for Indians has never been matched by the Bureau of Indian Affairs; and

4. The Vocational Education Act is before the United States Congress for consideration for re-authorization; and

5. Native Americans should be represented on the State Councils on Vocational Education whose members are presently appointed by each governor's office; and

6. Presently more needs to be done for handicapped Indian people.

NOW THEREFORE BE IT RESOLVED THAT:

1. The National Indian Education Association supports the re-authorization of the Vocational Education Act and recommends that Native Americans be represented on the State Councils on Vocational Education.

2. The National Indian Education Association urges Congress to direct the Bureau of Indian Affairs to match a 1.25% set aside with the Vocational Education Act.

3. The National Indian Education Association urges coordination between Vocational Education programs, Special Education and Vocational Rehabilitation in serving their handicapped Indian population.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the National Indian Education Association at a duly called meeting in Phoenix, Arizona at which a quorum was present and that same was passed by a vote of _____in favor, _____ opposed, this ________day of November, 1984.

John Tippeconnic
John Tippeconnic, President
National Indian Education Association

Karen Cornelius-Fenton
Karen Cornelius-Fenton, Chairperson
Resolutions Committee

NATIONAL INDIAN EDUCATION ASSOCIATION

1115 SECOND AVENUE SOUTH
IVY TOWER BUILDING
MINNEAPOLIS, MN 55403
PHONE 612-333-5341

RESOLUTION NO. 84-07

WHEREAS:

1. The survival of Indian nations as distinct cultural, linguistic, ethnic, and political entities, growing and expanding socially, educationally, economically and politically within the larger American Nation requires that their children receive and perpetuate understanding, knowledge and respect for their language, culture, history and government; and

2. The current emphasis of state and federal bilingual/multicultural education programs stress the utilization of the Indian tribal languages and cultural concepts essentially for purposes of transition to exclusive dependence upon the English language and integration into American culture; and

3. These existing state and federal programs of bilingual/multicultural education generally fail to incorporate educational models which encourage the maintenance and acquisition of knowledge and competence in Indian tribal languages or the development of increased knowledge of traditional culture; and

4. These state and federal bilingual-multicultural education models are inappropriate to meet the needs of Indian nations for perpetuation or reacquisition of language and culture;

NOW THEREFORE BE IT RESOLVED THAT:

1. The National Indian Education Association supports state and federal funding for operation of bilingual/multicultural educational programs which make provision for instruction in American Indian tribal languages and culture for the purpose of maintenance and acquisition of competence, as well as for transition to English.

2. The Association encourages Indian tribes to establish tribal language policies and policies regarding education in tribal language and culture and to seek the implementation of these policies in the schools educating their children.

3. The Association directs its executive board to provide information regarding bilingual/multicultural education policies to the state and federal governments, consistent with the policies of this resolution.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the National Indian Education Association, at a duly called meeting held in Phoenix, Arizona, at which a quorum was present, and that same was passed by a Convention of the Association by a vote of ______in favor, _______opposed, this _______day of November, 1984.

John Tippeconnic

John Tippeconnic, President
Board of Directors

Karen Cornelius Fenton

Karen Cornelius-Fenton, Chairperson
Resolutions Committee

NATIONAL INDIAN EDUCATION ASSOCIATION

1115 SECOND AVENUE SOUTH
IVY TOWER BUILDING
MINNEAPOLIS, MN 55403
PHONE: 612-333-5341

RESOLUTION NO. 84-08

WHEREAS:

1. A number of federal educational programs benefiting Indian education are funded for a limited number of years and reequire periodic reauthorization to continue in force; and

2. Certain of these federal educational programs are currently being considered for reauthorization or will require reauthorization in the coming session of Congress, including Title IV, Title VII, Impact Aid, the Vocational Education Act and Chapter I; and

3. Reauthorization of these federal education programs for a period of several years is necessary to assure program continuity and to permit long range planning for the administration of these programs; and

4. Each of the programs being considered for reauthorization makes an important contribution to the quality and survival of Indian education;

NOW THEREFORE BE IT RESOLVED THAT:

1. The National Indian Education Association supports the reauthorization of all existing Indian education programs and urges Congress to reauthorize all programs benefiting Indian education which require reauthorization for a period of at least five years, including the Impact Aid Program. Title IV, Title VII, the Vocational Education Act, and Chapter I.

2. The Association particularly supports the reauthorization of parts A, B, and C of Title IV.

3. The Association supports the reauthorization of Title VII with language currently recommended for that law allowing an Indian Tribe to be treated as a local Education Agency for funding purposes on the same basis as local schools and school districts.

4. The Association supports the adoption of a 2% set aside for Indian vocational education in the Vocational Education Act.

5. The Association directs its executive board to provide information to Congress of the United States regarding reauthorization of the educational programs referenced in this resolution.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the National Indian Education Association, at a duly called meeting held in Phoenix, Arizona, at which a quorum was present, and that same was passed by a Convention of the Association by a vote of _______in favor, ______opposed, this ________ day of November, 1984.

John Tippeconnic
John Tippeconnic, President
Board of Directors

Karen Cornelius-Fenton
Karen Cornelius-Fenton, Chairperson
Resolutions Committee

THE CHIPPEWA-CREE TRIBE of the ROCKY BOY'S RESERVATION

Phone (406) 395-4282 or 4478 - Rocky Boy Route - Box Elder, Montana 59521

A RESOLUTION

NO. 20-85

WHEREAS, THE CHIPPEWA-CREE TRIBAL BUSINESS COMMITTEE IS THE GOVERNING BODY OF THE CHIPPEWA-CREE TRIBE OF THE ROCKY BOY'S INDIAN RESERVATION, BY THE AUTHORITY OF THE CONSTITUTION AND BY-LAWS OF THE CHIPPEWA-CREE TRIBE, APPROVED ON THE 23RD DAY OF NOVEMBER, 1935, AND,

WHEREAS, President Reagan did not request any construction funds in his FY86 budget request to construct Bureau of Indian Affairs and Indian contract schools; and,

WHEREAS, Rocky Boy Tribal Business Committee, School Board, Indian parents, student and community members have been attempting to establish a viable education system on the Rocky Boy Reservation for over 15 years; and,

WHEREAS, the Rocky Boy Tribal Business Committee established the Rocky Boy Tribal High School in 1979 which has developed into an institution that provides educational services to over 75 Indian students; and,

WHEREAS, the construction of the new Rocky Boy Tribal High School is number 2 on the national priority list for school construction in FY86; and,

WHEREAS, by October 1, 1985 the architectural and engineering construction for the high school design will have been completed that cost the federal government over $200,000 to complete; and,

WHEREAS, the new high school will provide educational services to over 100 Indian students that are either currently being forced to continue their high school education in off-reservation boarding schools, don't attend high school, or are being bused over 50 miles each day; and,

WHEREAS, the new high school will provide the opportunity for all Rocky Boy students to attend school from K-12 in their home community.

NOW THEREFORE BE IT RESOLVED, that the Chippewa-Cree Business Committee strongly urges the United States Congress to provide funds for the construction of Bureau of Indian Affairs and Indian contract schools during FY86; and,

BE IT FURTHER RESOLVED, that the United States Congress should provide school construction funds equal to the FY85 level of $13,661,000; and,

BE IT FURTHER RESOLVED, that the United States Congress charges the Bureau of Indian Affairs to retain the Rocky Boy Tribal High School as number 2 on the national school construction priority list; and,

BE IT FURTHER RESOLVED, that the Chippewa-Cree Business Committee urges the United States Congress to appropriate between $3.4 million to $4 million in FY86 for the construction of the Rocky Boy Tribal High School.

CERTIFICATION

I, THE UNDERSIGNED, AS SECRETARY OF THE BUSINESS COMMITTEE OF THE CHIPPEWA-CREE TRIBE, HEREBY CERTIFY THAT THE BUSINESS COMMITTEE IS COMPOSED OF NINE MEMBERS, OF WHOM 9 MEMBERS, CONSTITUTING A QUORUM, WERE PRESENT AT A MEETING, DULY AND REGULARLY CALLED, NOTICED, CONVENED AND HELD THIS 21st DAY OF FEBRUARY, 1985, AND THAT THE FOREGOING RESOLUTION WAS DULY ADOPTED, AT SUCH A MEETING, BY THE AFFIRMATIVE VOTE OF 9 MEMBERS FOR AND 0 (0) MEMBERS AGAINST, AND THAT THIS RESOLUTION HAS NOT BEEN RESCINDED OR AMENDED IN ANY WAY.

Joe Rosette
CHAIRMAN, BUSINESS COMMITTEE

TRIBAL SECRETARY/TREASURER

PREPARED TESTIMONY OF THE NAVAJO COMMUNITY COLLEGE, SUBMITTED BY DEAN C. JACKSON, PRESIDENT

Mr. Chairman, members of the Select Committee, my name is Dean C. Jackson. I am President of Navajo Community College. I am both honored and pleased to appear before you again to present the needs of Navajo Community College.

Navajo Community College is continuing to face uncertainties and myraid of problems which have been precipitated by inadequate and uncertain levels of funding in the last five years.

I. LEGISLATIVE HISTORY

Navajo Community College has been in operation since 1969. It is the oldest and largest tribally controlled community college. Beginning in 1971 through 1978, it got its funding through the authority of Public Law 92-189 (Navajo Community College Act) which authorized funds for construction and operation. This original Indian Community College legislation authorized funding level to Navajo Community College comparable to postsecondary institutions operated by the Bureau of Indian Affairs. Public Law 92-189 was amended in 1978 by Public Law 95-471. Public Law 95-471 (Tribally Controlled Community College Act) provided formula-based funding for Navajo Community College as well as for other tribally controlled community colleges. In response to the difficulty of Public Law 95-471 as far as funding level to the College, Congress amended it in 1980 with Public Law 96-374 which authorized Navajo Community College funding base on needs. Although Public Law 96-374 and Public Law 98-192 both establish the funding for Navajo Community College on a "needs basis", rules and regulations for both legislations have never been developed.

II. PROBLEM

Navajo Community College fiscal austerity began with the implementation of Public Law 95-471 in 1980. It has meant a funding slash from $6.4 million to $3.1 million or a cut of $3.3 million. This $3.3 million cut has had a drastic impact on the College for several years. Through severe cost saving measures, the College has been able to keep its doors open during these very difficult years. Skeptics predicted the inevitable closure of the College and the media spreaded the negative aspects of the College's fiscal condition. Although it was a difficult situation, the College financial exigency literally provided the strength for it to pull together for survival. The College is just now barely beginning to revive [illegible]

Through the understanding of Congress and the Navajo Tribe, the level of funds for operation of the Navajo Community College had steadily increased back to $5.9 million in 1984. Of this total, Congress appropriated $4.4 million and the Navajo Tribe $1.5 million. This we thought was certainly an indication for stabilized funding for the College. However, Navajo Community College was once again cut in the amount of $603,000 from the federal government in fiscal year 1985 based on the expired funding formula contained in Public Law 95-471. The Navajo Tribe also cut $300,000 for a total cut of $903,000. In response to this Navajo Community College again tightened its belt and reduced its operating budget by $300,000 for the current school year. Despite this effort, it is in no position to cut the remaining deficit of $603,000 to balance its budget. Further cuts in the current budget will mean program cuts and personnel cuts to the extent that it will seriously jeopardize the accreditation status of the College which was only renewed in the Spring of 1984. Some of the main criteria for the maintenance of accreditation are stabilized funding, programs, personnel, etc.

III. NEEDS

A. FISCAL YEAR 1985-Supplemental Appropriation

Navajo Community College requests the restoration of $603,000 through the Supplemental Appropriation process. The current appropriation of $3.8 million will be exhausted in April of 1985. Navajo Community College has been able to stretch the present level of appropriation through cost saving measures. However, it will fall short of completing the fiscal and academic year. The College bi-weekly payroll amounts to $170,000. The $603,000 will almost be adequate for the four pay periods in May and June. This will complete the academic and help toward the completion of the fiscal year for the College.

B. FISCAL 1986 BUDGET

Navajo Community College is requesting $5.8 million for fiscal year 1986. The level of appropriation requested by the President's budget for Navajo Community College for fiscal year 1986 is again at $3.8 million. This again is based on formula funding contained in the expired Public Law 95-471. The Navajo Tribe has not begun its budgetary process for fiscal year 1986, therefore its level of appropriation to the College is not known at this time.

Since the passage of Public Law 96-374, the Bureau of Indian Affairs has conducted two on-site visits to Navajo Community College to determine its needs. Once the needs were established, it was to be used as a base for funding for Navajo Community College. The first visit in 1981 raised more questions than it answered so the College funding continued on the FTE formula through 1983. As a follow up to the first on-site review of 1981, recommendation was made by the Bureau of Indian Affairs in 1983 for a funding level of $5.8 million. This $5.8 million recommendation was based on $5,300 per FTE and 8% of the total cost for dormitory operation. This recommendation was never implemented and as such it is useless to the college.

The College request of $5.8 million is $2 million above the current level. This additional fund will be used to address the following critical needs:

1. Facility

Tsaile is the main campus of Navajo Community College. Facilities at this campus exceeds a value of $50 million, most of which were built with funds from the federal government. The original construction plan for Navajo Community College was a 3-phase plan. The facilities that presently exist on the campus only represent a portion of the first phase development. The second phase plan provided for the completion of the first phase development. Second phase and third phase plan never became a reality because of the administration's moritorium on funds for construction for many years. The present state of deterioration of the facilities is attributed mainlv to the partial or incompleteness of first phase development. The recent study by the architectural firm of Leon Shirley and Associates Albuquerque, New Mexico, established renovation and repairs cost of some of the main buildings at $2 million. This is a very conservative estimate as there were some buildings not included in the total estimate. The sum of $1 million of this request will be used for facility repairs.

2. Salary and Benefit Needs

While other government employees and retirees enjoy an annual cost of living plus merit pay increase on an annual basis, Navajo Community College faculty and staff have never received a cost of living increase, much less merit increase, in the last five years. Further, retirement is a benefit taken for granted as part of employment by employees who work for the state, tribe and federal government surrounding the College. The College has never had a retirement benefit for its employees. Because of the low salary and lack of retirement benefits, it is extremely difficult for the College to recruit top level and highly qualified people. When it does, there is a rapid and mass exit by these people to surrounding colleges or other educational entities that compensate their employees commensurate with their expertise and professional training. Studies have shown that an annual cost of $500,000 will be needed to rectify the above dilemmas of the College.

3. Capital Outlay Vehicle

Navajo Community College has a transportation department where five mechanics work at least twelve hours a day and sometimes on the weekend to keep a fleet of 75 vehicles in operation. Despite the strong efforts of the transportation personnel, there is a constant and continuous backlog of vehicles in need of repairs. This situation exists because all of the vehicles are worn to the extent they are all practically beyond repairs. These vehicles are now actually such safety hazards that the school has had to discontinue some student programs as well as educational programs which involve travel for students, faculty and staff. It is a disgrace and inexcusable to retain these obsolete and irrepairable vehicles at a higher educational institution and still profess to provide quality education. An estimated $300,000 must be obtained to purchase new vehicles which will serve the faculty, staff and students in meeting their educational goals.

C. February 1, 1985 was the coldest day of the year at Navajo Community College. The boiler in one of the main buildings went out that day. Lack of heat in this building caused water pipe breakage right in the middle of the day. Today there is still no heat and water in the Hatathli Cultural Center which houses administrative offices, classrooms, computer center, and other vital activities.

The cost of replacing the boiler is estimated at $13,000. This equipment is only one of the several pieces of equipment that were installed when the buildings were constructed about ten years ago. The boiler simply was too old and worn to handle the demand for heat in this building. Other equipment no doubt are in similar condition and ready to give. The lack of heat and water has caused a loss of production and manpower for about a month now.

An estimated $200,000 is an absolute necessity to replace these ten year old equipment before they break down at a critical period in the year where it presents hazards to the lives of students, faculty and staff.

IV. CONCLUSION

Navajo Community College is at a critical period. Its role in the education of the Navajo people is spelled out in the education policy of the Navajo Tribal Council. The policy has put more demands on Navajo Community College. Therefore, it is genuinely addressing the goals of the Navajo Tribe.

Testimony of the Navajo Nation
on the
FY1986 Indian Health Service Budget Request
before the
Senate Select Committee on Indian Affairs
February 27, 1985

Mr. Chairman, members of the Committee. The people of the Navajo Nation appreciate this opportunity to present for your consideration the views of our government regarding the FY 1986 Indian Health Service budget request. In our view, the budget request is unacceptable and should be rejected by the Committee because (1) it does not adequately address the health status needs of Indian people, (2) it does not satisfactorily resolve longstanding IHS management issues and problems, (3) it is inconsistent, misleading, and inaccurate in its presentation, and most significantly, (4) it does not present sound approaches towards the solution of most of the major professional, financing, and management problems confronting IHS.

The FY 1986 budget request is not responsive to the health status needs of our people because acknowledged serious health problems and high priority health status needs are not targeted for adequate appropriations and indeed are all scheduled for reductions. For example, four of the top ten leading causes of death among Indian people are related to alcohol abuse and alcoholism. Motor vehicle accidents kill more Navajos than any other cause, the majority of which are alcohol-related. By IHS's own calculations, the Navajo Area deficiency level for alcohol program efforts exceeds 78%. Yet the Administration proposes to reduce the alcohol program appropriation by $1.2 million (5%) in FY 1986. Other examples include:

- Community Health Nursing

  Deficiency level = 78.5% Reduced by $372,000 (3%)

  Additional resources needed = $5.7 million

- Health Education

  Deficiency level = 80.3% Reduced by $115,000 (3%)

  Additional resources needed = $1.3 million

- Mental Health

  Deficiency level = 52.5% Reduced by $129,000 (1%)

  Additional resources needed = $1.2 million

- Emergency Medical Services

  Deficiency level = 49.7% Reduced by $1,306,000 (100%)

  Additional resources needed = $1.8 million

- Community Health Representative Program

  Deficiency level = 83.5% Reduced by $3,066,000 (100%)

  Additional resources needed - $13.9 million

- Sanitation

  Deficiency level = 59.4% Reduced by $412,000 (2%)

  Additional resources needed - $3.7 million

- Sanitation Facilities Construction

  Reduced by $25.2 million (100%)

  Additional resources needed = $138 million

- Contract Health Care

  $1.3 million in additional funding is needed to provide Priority III level of care.

In addition to these proposed program reductions, funding for facilities construction projects has been eliminated again this year - in the face of admitted facility deficiencies in all areas. This decision is based on the rationale that "postponement of new and replacement facilities" is justified due to the "growing backlog of projects." The funding appropriation for maintenance and repair is also targeted for reduction. IHS continually speaks of quality of health care services provided, but the dilapidated condition of some existing facilities makes it increasingly difficult to meet the standards of the Joint Committee on Accreditation of of Hospitals certification. In turn, this jeopardizes collection efforts with respect to third-party reimbursements.

For example, the Fort Defiance (AZ) IHS Hospital was built in 1938 and is scheduled for replacement (4th on the IHS national priority listing). In addition, the Shiprock IHS Hospital, also in the Navajo Area, is scheduled for a major renovation (2nd on the priority list). In view of the workload carried by Navajo Area, what does IHS plan for these construction projects? What impact will the postponement have on quality of care and accreditation in these two existing facilities? Similar questions must be raised regarding plans for ambulatory care facility planning and construction for the Navajo Area.

Staff housing is another major issue. Significant strides have been made by IHS in the hiring of local community people to staff inpatient and ambulatory care facilities. However, large numbers of professional medical staff must still come from outside the area in which the facility is located. In most rural reservation areas, such as the Navajo Nation, there is little or no housing available - and health care professionals will not live in trailers. Without housing, staffing needs cannot be met, regardless of other budget considerations. Yet IHS proposes to eliminate quarters construction dollars from the FY 1986 budget. Navajo Area IHS has identified a current need for 381 units of quarters. The replacement of substandard housing units and trailers raises this figure to 471. How will this need be met?

A related question has to do with the re-opening of clinics previously closed due to budget deficiencies. Navajo Area has identified eight such facilities. $1.3 million in additional funding is needed to re-open these clinics (for 51 positions and 25 quarters).

Finally, funding support for urban Indian health programs has again been proposed for elimination based on the argument that Indian people who reside off-reservation are eligible for alternative health care services. We do not accept this rationale. Navajos who reside in Phoenix or Albuquerque should not be ineligible for IHS care simply by virtue of where they live.

The FY 1986 budget request does not satisfactorily address outstanding IHS management problems and issues because (1) only special in-house issues are targeted for consideration and in ways that do not focus on larger problems of comprehensive health care delivery and (2) glaring discrepancies continue to prevail in the way that IHS apportions budget dollars in comparison to workload and other operational variables. For example, the budget request includes a $2 million increase to supplement the development of an automated Resource and Patient Management System (RPMS), which we support. Yet little has been done by IHS to justify the administrative costs associated with the operations of Albuquerque "Headquarters West" and Tucson's Office of Research and Development (together about $5.5 million). In addition, the decisions to (a) make $5 million available for indirect costs associated with tribal contracting under P.L. 93-638, apparently taken from service dollars in the Hospitals and Clinics line item and (b) to eliminate altogether funding for tribal health management development contribute nothing to the development of comprehensive health care delivery systems, something we believe is central to the mission of Indian Health Service.

Also of critical importance is the unwillingness of IHS to approach directly the issue of rationally distributing resources in such a way as to achieve maximum impact on health status problems. This is only partly an issue of budget equity. We believe it to be a paramount matter of good management. For example, area budget allocations, if compared to staffing and workload data, are puzzling when scrutinized for any underlying methodology: (1) the Navajo Area service population is twice that of Phoenix Area (17% of the national Indian population), yet Navajo Area receives only about 25% of budget dollars than Phoenix area; (2) Navajo Area has the largest number of inpatient admissions (18,638 in FY 1984), outpatient visits (628,055), and births (4,290) in the IHS system, which represent, respectively 19%, 24%, and 34% of the total IHS workload, yet Navajo Area receives only 14% of the IHS budget; (3) even the Shiprock (NM) Service Unit in the Navajo Area does more more work than the four smallest IHS Area and Program Offices; (4) Navajo Area has 128 staff positions in administration (only 106 of which are filled), while Phoenix Area has 162, Aberdeen has 147, and Anchorage and Billings have 201 and 111, respectively; and (5) the Tucson Program Office, which has a service population of only 18,000 (the smallest in the IHS system), spends over 15% of its budget on administrative costs (79 authorized management positions), while the Navajo Area (with 165,597 population) spends 96% of its budget for patient care.

The budget request for IHS for FY 1986 is inconsistent, misleading, and inaccurate because (1) it presents a conflicting focus on acute clinical care versus preventive health and (2) the format is designed in such a way as to refer to program funding levels as if they represent "increases" over FY 1986 when in reality they constitute net dollar losses. For example, prevention is identified as a major initiative for FY 1986, yet all preventive health program funding levels are reduced based on the policy justification that budget resources are to be concentrated on direct clinical care operations. Hospital and health clinic programs are described as "roughly the same as the 1985 level," while budget figures show a $10.7 million (or 3%) program decrease. The mental health request is referred to as "a slight increase over the 1985 level," while the dollars available for program use are listed as being reduced by $129,000. The same inconsistency is true for alcohol program operations.

Finally, the request for IHS FY 1986 operations does not provide any evidence that the IHS or the parent Health Resources and Services Administration has done any serious thinking about possible alternatives in resolving major professional, financing, and management problems which have plagued IHS for at least the past four years. The same unworkable management strategy is being utilized in the face of shrinking budget resources; shrink the program! For example, primary care providers at the Indian Health Service Hospital in Shiprock, NM, often see upwards of 50-60 patients a day, which makes it impossible for them to provide comprehensive quality medical care for their patients. Yet preventive health program appropriations are to be reduced and the Community Health Representative Program is to be eliminated, two programs which could have significant impact on patient utilization patterns and thus the cost of delivering medical care services. Instead of looking at alternatives such as these, IHS chooses to attempt to maintain program service levels for acute care, while making up the increased collections from the only major third-party payer available, the Federal government. This strategy will only ensure the impossibility of maintaining a quality baseline health care benefits package for Indian people in the face of rising medical care costs. The result is a sometimes willful, sometimes bumbling erosion of the Federal trust responsibility for Indian health care through continually redefined services for fewer beneficiaries, fewer specialty services in favor of more basis primary care, and services of increasingly questionable quality, all delivered at increasingly higher unit costs.

We thank you for your time and concern. We stand ready to work with both the Congress and IHS to develop realistic budgets to meet the health care needs of the Navajo people.

Testimony of the Navajo Nation
on the
Proposed Bureau of Indian Affairs Education Budget
Before the
Senate Select Committee on Indian Affairs
February 27, 1985

The Navajo Nation welcomes the opportunity provided by the Senate Select Committee on Indian Affairs to comment upon the budget proposed for the Bureau of Indian Affairs for education programs in Fiscal Year 1986. The area of greatest concern, upon which this testimony will focus, is the Johnson O'Malley Program. In addition, however, this testimony will touch upon concerns with the budget for School Operations within the BIA-funded education system and our general concern with the consequences of combined program freezes and program eliminations proposed for education programs.

I. The Johnson O'Malley Program

The Bureau of Indian Affairs recommends the elimination of this program. As will be discussed, this recommendation is unsound and is supported by inaccurate and misleading assertions in the BIA budget justification. Elimination of the Johnson O'Malley program appears to have been a last minute proposal. Earlier budget justification documents which the Bureau prepared included funding for the program at its current level. These earlier documents contained no allegations of problems or duplications within the program. On the contrary, they praised the effectiveness of the program, stating:

> "This program is successful not only in meeting the special needs of students, but it also promotes cooperative relationships between Indian communities and school systems which serve to enhance parental involvement in the education of their children." Department of Interior, Budget Estimates, F.Y. 1986, earlier draft, page 49.

Now, however, the Bureau is recommending the program for elimination. Therefore, the current Budget Justification, Fiscal Year 1986, Congressional

Submission has little good to say about the program. We are concerned both with the potential harm to the education of Indian children which would be caused by the elimination of the program and by the total misrepresentation to the Congress of the educational needs of Indian children contained in the Bureau's justification.

In its budget justification, the Bureau states that the Johnson O'Malley program duplicates other federal and state programs and that existing state and federal resources can meet the educational needs of these children. In support of this assertion, the Bureau misrepresents the capacity of other state and federal programs and the academic needs of Indian students. For example, the Bureau states:

> "(T)he Chapter I program ...can provide several hundred dollars per year for each disadvantaged child in a school district." p. 53.

This statement is simply untrue. In preparing this testimony, the Navajo Division of Education interviewed Dr. Don Kearns, Arizona State Director for Chapter I in the Arizona Department of Education. Dr. Kearns confirmed that Chapter I has never been able to meet the needs of all eligible students. Schools must prioritize among eligible students, meeting the most critical needs first. Thus many educationally disadvantaged children who are eligible for Chapter I services do not receive them.

The Bureau states:

> " Indian student achievement scores have increased significantly and are at their highest level in over a decade." p. 56

We do not have 10 year longitudinal studies of Indian student achievement scores in the files of the Navajo Division of Education. We do have data on recent test results, however. Regardless of how these scores may compare with the past ten years, they are cruelly unacceptable when compared with the achievement scores of Non-Indian students. A report issued by the state of Arizona Department of Education in June of 1983 showed Native American students consistently scoring below all other ethnic groups in reading, grammar and math. For no grade did the average Native American score in reading rise higher than the 40th percentile (in fact every year after first grade was below the 40th percentile). In no grade did the grammar score average rise above the 38th percentile. Average math scores reached the 50th percentile only in first grade. Likewise, in New Mexico , in achievement testing conducted in the 1982-83 school year, American Indian students again scored lower than any other ethnic group in all areas tested. The New Mexico scores are available only for grades 3, 5 and 8. In the year cited, Native American third graders scored in the 28th percentile on the total battery of the CTBS. For grade 5, they scored in the 29th percentile. For grade 8, the 30th percentile.

Even if these scores do represent an improvement over past years, they do not indicate that Indian students are achieving at such acceptable levels that their special needs can now be ignored or minimized. Rather, the scores highlight how much remains to be done if Indian students are to have a real chance to enter the economic mainstream of American life any time in this century.

The BIA budget justification states that the same types of services provided by the Johnson O'Malley program can be funded by Title IV, Chapter I, or Head Start. Even if this is theoretically true in regard to some categories of services, it is not pragmatically true because of the funding limitations within these other programs. A 1981 study by the General Accounting Office, HRD-81-101, found that local coordination of programs prevented duplication between the JOM and the Title IV program. In those few cases where the GAO did find duplication, the report indicated that better local coordination could eliminate this problem. In the Navajo Nation's Johnson O'Malley program, our evaluation of JOM programs indicates that this local coordination is in fact taking place. Program funds from the various supplemental programs are used by our local school districts to complement eachother, not to duplicate eachother. Funds from one program help make up for the inadequacy of the funding level in the other programs. The General Accounting Office recognized this fact in its study, stating:

> "Any merger or elimination proposal put forth with the intent of reducing funding levels should consider the impact such actions would have on other Federal remedial education programs. The Title I (now Chapter I) program, for example, is currently unable to completely serve its target population because of fiscal constraints." p. 7

Those fiscal constraints are more severe today than they were in 1981 The Navajo Division of Education has surveyed its 22 subcontractors regarding the ability of other programs to take up the JOM component of the school's program. The overwhelming response has been that the other supplemental programs utilized by the schools are in fact inadequate to serve their own target population or to adequately fund their own program needs.

The Bureau budget justification alleges that the Inspector General has conducted audits which have identified JOM funds expended for purposes other than meeting the unique educational needs of Indian students. As is the case in all the claims of adverse reports contained in the BIA justification, no citation is given to these reports. Therefore, it is not possible for the JOM programs to defend themselves in regard to the particulars of any charge. The experience of the Navajo Johnson O'Malley program, however, may be instructive.

In 1979 the Inspector General released a report of the first three years of operation of the Navajo Nation's Johnson O'Malley program. The report made fairly shocking allegations that over $1 million dollars of Johnson O'Malley funds had been spent for inappropriate purposes. The Navajo Tribe challenged the Inspector General's findings and was able to successfully demonstrate that almost all of the costs questioned by the Inspector General were in fact valid. In many cases the costs objected to by the Inspector General had been specifically authorized by the Bureau itself after extensive discussion and correspondence. Such costs which remained questionable (less than $40,000 for the three year period) were, by the Inspector General's own admission, largely attributable to the Bureau's total failure to provide adequate technical assistance to the Navajo Johnson O'Malley program during its first three critical years. All questioned sums which could not be justified were reimbursed in full. Since that time, the Navajo Johnson O'Malley program has tightened its financial accounting procedures and subjected itself to regular independent audits. Total questioned costs in these audits are extremely small and all questioned costs are rectified either by appropriate justification or by reimbursement.

If the Navajo experience with the Inspector General is at all typical, Congress would be well advised to seek corroboration o. the accuracy of the Bureau's allegations of mismanagement from the JOM programs themselves before accepting such questionable documentation .

The Bureau budget justification also alleges that Johnson O'Malley program funds are not being used effectively. This is not the experience of the Navajo Nation. The Navajo Johnson O'Malley Program operates on a budget for fiscal year 1985 of approximately $4,742,828. The program provides funds to 22 subcontractors in Arizona, New Mexico and Utah. The program serves 36,345 public school students and 3,532 Head Start students. The uses to which the Johnson O'Malley funds are put vary. The priorities for each program are established by the local Indian Education Committee, an important process in bringing the local school and the Indian family together in our communities. The funds are put where the local IEC determines that they will do the most good.

Some JOM funds are providing remedial assistance to students with academic deficits (many of whom are not served by Chapter I). In other cases the funds are used for a home-school laison officer, creating an important link between Navajo families and the schools. In some cases the funds provide "late bus" transportation for students engaged in extra-curricular activities (an expense which district M&O revenues do not and cannot pick up). This service provides an incentive to high school students to become a part of the school community, an important part of efforts to combat school dropouts. In other cases JOM funds have paid the costs associated with particular courses, such as vocational shop courses. These costs can run as high as $50 per semester per course, beyond the means of many Navajo families. In other cases, JOM funds have provided eyeglasses that the Indian Health Service could not or would not provide. This expense is basic to allowing students to participate in their classes.

JOM funds are being used for counselling programs aimed at the special problems of Navajo students. They are being used to fund special programs for pregnant students and students who are single parents. They are being used for special vocational enrichment programs. JOM funds are being used to develop courses and materials in Navajo language and culture and courses in Native American literature. Despite the allegations of the Bureau that

> "Many community and tribal leaders said that Indian children do not have culturally-related academic needs that are different from those of non-Indian children",

the Navajo Nation, in education policies adopted by its Tribal Council, and approved by the Bureau of Indian Affairs, has declared that Navajo children definitely do have culturally-related academic needs. In many cases, local school districts are utilizing JOM funds to meet these needs at least in part.

In conclusion, the Johnson O'Malley Program is an important component of the education resources available to Navajo children and to all Indian children attending public schools. Elimination of the program is being sought simply to cut the BIA budget, without regard to the realities of the value of the program or the needs of the students involved. The Bureau's justification for eliminating the program contradicts the Bureau's own statements made scarcely a month prior to the introduction of the budget. These justifications are based on erroneous and misleading statements about the eductional situation of Indian children, the availability of other resources and the administration of the Johnson O'Malley program at the local and tribal level. In past years, Congress has had the wisdom to reject similar ill-conceived attacks on the Title IV program. We urge Congress once again to protect an important Indian education program from elimination.

II. BIA School Operations

Of necessity, this testimony is primarily concerned with the threatened elimination of the Johnson O'Malley Program. Some comment should be made, however, on the other components of the BIA education budget. The budget for school operations appears to be set at slightly above the level of the previous year for the ISEP formula, with additional funds for educational standards implementation and for student transportation. These increases are to be applauded, given the critical academic needs of the bureau schools. We are concerned to assure that contract support funds will be available to contract schools in this budget at a sufficient level to avoid the shortfalls which have regularly occurred in these funds in recent years. We are also concerned that the proposed reduction in school board expense funds will dilute the effect of the increase in ISEP.

Another area of concern in the proposed school operations budget is the projected decrease in the intense bilingual ADM in the Bureau's budget justification (p. 36). No explanation of the projected reduction is given. At least within the Navajo Nation, we would anticipate an increase in the intense bilingual ADM if Bureau schools respect and take action to implement Navajo educational policies regarding education in Navajo language and culture. Recently the Bureau sought to alter its guidelines for intense bilingual so that they would serve fewer children. This alteration was attempted without any involvement from tribes or schools. It contradicted the Bureau's own regulations and was inconsistent with P.L. 95-561 and 98-511. We are concerned that the budget process may be utilized to accomplish what the Bureau's attempted policy guideline could not.

Finally, something should be said about forward funding. P.L. 98-511, Title V provides for forward funding of BIA education programs. This provision was not implemented in the last fiscal year. It is not proposed for implementation this year either. This is unfortunate, because the current funding system is extremely inefficient. Proposals to soften the effect of late funding by authorizing schools to obligate funds before they know what they will be receiving are totally unrealistic. The past few years have seen reduced funding, proposed program eliminations and tremendous uncertainty in regard to Indian education funding. No school financial officer worthy of the name would expend funds until he or she was certain that they would in fact be arriving and would be in the amount anticipated. If forward funding cannot be realized this year, it would be more honest to simply admit that fact and to begin now to make provision for the genuine forward funding of these programs in the next fiscal year.

III, Continuing Education

The continuing education budget is set at the same basic level as the preceding fiscal year (FY '85). This by itself will occasion some reduction in services, since the cost of higher education is increasing. In addition, however, cuts proposed for other higher education financial assistance programs may aggravate program reductions occasioned by the freezing of the higher education budget. Figures developed by the Navajo Higher Education Department indicate that over $2,000,000 in funds from U.S. Department of Education programs are received by Navajo scholarship recipients. Last year alone, Navajo students received approximately $771,000 in student loans. Cuts in these programs will reduce the total availability of financial assistance for Navajo college students and will result in fewer students being able to pursue undergraduate degrees.

IV. Conclusion

The Navajo Nation urges the Congress to look at the proposed curtailment and elimination of education programs in a careful and enlightened manner. As illustrated by the Johnson O'Malley program, justifications for program cuts and elmininations are often based on inaccurate and misleading information. In particular, we urge Congress to protect the Johnson O'Malley program from elimination and to fund this program at no less than its previous level. There is a great need for this program as a part of the total package of basic and supplemental educational programs available to Indian children.

Oklahoma Indian Housing Association

March 1, 1985

RECEIVED MAR [illegible] 1985

Sid Whitecrow, President
P.O. Box 1304
Miami OK 74354

Sharon Byers, 1st V.P.
P.O. Box 1252
Shawnee OK 74801

Jack Clemence, 2nd V.P.
P.O. Box 425
Shawnee OK 74801

Sue Pritchett, Sec.
P.O. Box 1007
Tahlequah OK 74464

Jeannie Battles, Treas.
P.O. Box 1007
Tahlequah OK 74464

Hon. Mark Andrews, Chairman
Select Committee on Indian Affairs
SH-838 Hart Senate Office Building
Washington, D.C. 20510

Dear Hon. Andrews:

The Oklahoma Indian Housing Association opposes, completely, any moratorium on Housing, as proposed in the Administration's FY 86-87 budgets. This budget sets the stage for disaster in Indian Country. And if approved, will lead directly to increased homelessness for Indians across the nation.

More Indians than ever before are in dire need of decent, safe, and sanitary housing.

Indian Housing has already absorbed over 68% in decreased commitments for housing since this administration assumed office.

We respectfully request the Oklahoma Indian Housing Association's objection be placed in the record of your Hearings conducted on February 27, 1985.

Sincerely,

Jack Clemence
2nd V.P.- OIHA
Executive Dir. - Ab. Shawnee H.A.

cc: Sid Whitecrow, Pres. - OIHA
Wayne Chico, Chairman - NAIHC

Oneidas bringing several hundred bags of corn to Washington's starving army at Valley Forge, after the colonists had consistently refused to aid them.

Oneida Tribe of Indians of Wisconsin

Post Office Box 365

Phone 869-2771

Oneida, WI 54155

[illegible]

Because of the help of this Oneida Chief in cementing a friendship between the six nations and the Colony of Pennsylvania, a new nation, the United States was made possible.

March 25, 1985

RECEIVED MAR 29 1985

Mark Andrews, Chairman
Senate Select Committee on Indian Affairs
SH-838 Hart Senate Office Bldg.
Washington, D. C. 20510

Dear Mr. Andrews:

Please find enclosed Resolution #3-1-85-A which was adopted by the Oneida Tribe of Indians of Wisconsin on March 1, 1985. This resolution proclaims our support for each of the nine (9) enclosed resolutions. These nine (9) resolutions were adopted on February 15, 1985 by the Great Lakes Regional Tribal Assembly.

Sincerely,

ONEIDA TRIBE OF INDIANS OF WISCONSIN

Purcell Powless

Purcell Powless, Chairman
Oneida Business Committee

PP:pk

Enclosures (10)

Oneidas bringing several hundred bags of corn to Washington's starving army at Valley Forge after the colonists had consistently refused to aid them

Oneida Tribe of Indians of Wisconsin

Post Office Box 365

Phone 869-2771

Oneida, WI 54155

UGWA DEMOLUM YATEHE

Because of the help of this Oneida Chief in cementing a friendship between the six nations and the Colony of Pennsylvania, a new nation, the United States was made possible.

RESOLUTION # 3-1-85-A

WHEREAS, *The Oneida Tribe of Indians of Wisconsin is a federally recognized Tribe, and*

WHEREAS, *The Oneida Tribe has committed itself to provide services to its people, and*

WHEREAS, *The proposed FY '86 budget has proposed cuts in J.O.M. financial aides, Tribal School support, Impact Aid, and*

WHEREAS, *The proposed FY '86 budget has proposed no increase for Title IV, and*

WHEREAS, *The Technical Assistance Center located in Bismarck, North Dakota has not supplied adequate services, and*

WHEREAS, *The Office of Education Title IV needs to implement Indian preference for all further staffing, and*

WHEREAS, *It is imperative that P.L. 94-437 be reauthorized, and*

WHEREAS, *These issues if not resolved will severely impair progress made by Tribes in providing adequate health, education and welfare to our members.*

NOW, THEREFORE BE IT RESOLVED: That the Oneida Tribe of Indians of Wisconsin support the nine (9) enclosed resolutions passed by the Four State Tribal Assembly in Eau Claire, Wisconsin on February 15, 1985.

CERTIFICATION

I, the undersigned, as Secretary of the Oneida Business Committee, hereby certify that the Oneida Business Committee is composed of nine (9) members of whom 8 members, constituting a quorum, were present at a meeting duly called, noticed, and held on the 1 day of March, 1985; that the foregoing resolution was duly adopted at such meeting by a vote of 7 members for, 0 members against, and 0 members abstaining: And that said resolution has not been rescinded or amended in any way.

L. Gordon M. Lester

L. Gordon McLester, Tribal Secretary
Oneida Business Committee

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, The FY '86 budget for PL 81-874, Impact Aid indicates a $152 million dollar cut, and

WHEREAS, funding for Super A children, districts with 20% or more children whose parents live on or work on federal property will be frozen at 1985 funded levels, and

WHEREAS, funds for "B" children, those children whose parents live on or work on federal property, will not receive funds, and

WHEREAS, Impact Aid is a necessary complimentation to school districts in lieu of taxes of Indian Reservation lands,

NOW THEREFORE BE IT RESOLVED: That the Great Lakes Regional Tribal Assembly and its participating members, demands that Impact Aid, P.L. 81-874 budget for FY '86 be restored to the FY '85 budget level of $694 million to continue financial support of those school districts that have eligible enrollment of Indian children.

BE IT FINALLY RESOLVED: The copies of this resolution be sent to the Secretary of Education; the Assistant Secretary of Indian Affairs; the Senate Select Committee on Indian Affairs; the Senate Appropriations Committee; the House Interior Appropriations Committee; the House Education and Labor Committee; the Minnesota, Michigan, Wisconsin and Iowa Congressional delegations; the Northwest Affiliated Tribes; the Montana Indian Policy Board; the United Pueblo Council; all LIEC's within the Great Lakes Region; the National Tribal Chairman's Association; the National Congress of American Indians, to request their support to restore the Impact Aid Program to the FY '86 budget.

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, The FY '86 budget for the Title IV Indian Education Act indicate an amount of $67,000,000., and

WHEREAS, The FY '86 allocation will remain the same through FY '89, and

WHEREAS, increases in fringe, wages, cost of living, etc., indicate a need for increases in the Title IV allocations, and

WHEREAS, the Great Lakes Regional Tribal Assembly has a commitment to the education of Indian children now and for the future, and

WHEREAS, education is and will be the cornerstone for tribal growth and development, and

WHEREAS, presently only three (3) tribal members are included in the fifty member Title IV administration, and

WHEREAS, this is not conducive to involving Indian perspective and Indian preference in hiring.

NOW, THEREFORE BE IT RESOLVED: That the Great Lakes Regional Tribal Assembly encourages the implementation of Indian preference in all subsequent transfers or promotions, now hired in the Title IV administration.

THEREFORE BE IT RESOLVED: That the Great Lakes Regional Tribal Assembly demands that the budget appropriations for Title IV be increased to $100,000,000 for FY '86.

BE IT FINALLY RESOLVED: That copies of this resolution be sent to the Secretary of Education; the Senate Appropriations Committee; the House Education and Labor Committee; the Minnesota, Michigan, Wisconsin, and Iowa Congressional Delegations, all LIEC's within the Great Lakes Region; the National Congress of American Indians; the National Tribal Chairmen's Association; and all Tribal Councils in the Great Lakes Region to request their support to address the above mentioned concerns and resolves for Title IV of the Indian Education Act.

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, Parent Advisory Committees and tribal education leaders have expressed dissatisfaction with the quality and quantity of services provided by the Office of Indian Education Regional Technical Assistance Center located in Bismark, N.D., and

NOW, THEREFORE BE IT RESOLVED: That the Great Lakes Regional Tribal Assembly request the Director of the Office of Indian Education, Washington, D. C. to conduct an investigation of the Technical Assistance Center in Bismark, N.D., and

BE IT FURTHER AND FINALLY RESOLVED: That the director of the Office of Indian Education seek the advice and input of tribal chiefs, tribal education directors, and Parent Advisory Committees members in making recommendations for the improvement of the delivery of services or the re-contracting of the services provided.

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, The Saginaw Chippewa Tribe is a member of the Four State Regional Tribal Assembly, and

WHEREAS, The Four State Regional Tribal Assembly supports the concepts of government-to-government relationship with the federal government, and

WHEREAS, the Saginaw Chippewa Tribe has sought through legislation to establish a "Principal Investment Fund" to serve Tribal progress, and

WHEREAS, The Saginaw Chippewa Tribe has proposed legislation that will soon be introduced which will provide for the use of these land claims judgement funds for this expressed purpose.

THEREFORE BE IT RESOLVED: That the Four State Regional Tribal Assembly supports the Saginaw Chippewa Tribe in the efforts to obtain these judgement funds from Dockets 59, 13 and 137 for this expressed purpose.

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, The Bureau of Indian Affairs has made numerous changes in the education funding levels and line items affecting Tribal contract Schools and has not allowed for Indian input into these changes (school construction, school board training, operations and maintenance, indirect cost, ISEP formula, New School Starts and expansion, etc.)

WHEREAS, The Bureau of Indian Affairs has failed to address such items as cost of living, fringe, wages, etc., increases, and

WHEREAS, The Great Lakes Regional Tribal Assembly has a commitment to the education of Indian children.

WHEREAS, The Association of Contract Tribal Schools is addressing the above mentioned concerns and attempting to rectify these concerns.

NOW, THEREFORE BE IT RESOLVED: That the Great Lakes Regional Tribal Assembly supports the Association of contract Tribal Schools and its' efforts to maintain Bureau of Indian Affairs education monies at acceptable levels and in acceptable line items.

BE IT FINALLY RESOLVED: That copies of this resolution be sent to the Assistant Secretary of the Interior; the Bureau of Indian Affairs, Director of Education; the Senate and House Appropriation Committees, the Minnesota, Michigan, Wisconsin, and Iowa Congressional Delegations, the National Tribal Chairmen's Association; the National Congress of American Indians; all Tribal Councils in the Great Lakes Region, and all Contract Tribal Schools, to request their support to address the above mentioned concerns.

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, The Office of Indian Education is of vital importance in the role of education of Indian Children throughout the United States, and

WHEREAS, Title IV Programming offers unique and needed service to our Indian children, and

WHEREAS, The Title IV program objectives are directly related to the specific cultures to the many and diverse tribes, and

WHEREAS, Indian professionals are uniquely attuned to cultural differences between tribes and thus especially fitted to perform in responsible positions.

THEREFORE BE IT RESOLVED: That the Office of Education implement Indian preference employment policy for staffing Title IV Indian Education Programs.

AND, BE IT FURTHER RESOLVED: That we support the re-establishment of the Indian Education Office in the Department of Education.

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, The 4-State Great Lakes Regional Tribal Assembly acknowledges the progress that the Indian Health Service has made over the years in the improvement of health care for the American Indians, and

WHEREAS, there still remains critical health problems among our Indian people, problems which are more complex than infectious diseases, and

WHEREAS, these health problems have major initiating or contributing factors in social, economic educational, and environment of our Indian people, and

WHEREAS, prominent among these health problems are alcohol abuse, chronic diseases, and mental illness which leads to accidents, homicides, suicides, abuses, and neglects, and

WHEREAS, these health programs can be minimized with effective Federal commitment to Tribal Governments and the Indian Health Service, and

WHEREAS, the President of the United States in his Indian Policy Statement dated January 14, 1983 stated "The Administration will deal with Indian Tribes on a government-to-government basis", and

WHEREAS, the President of the United States further stated "so should the Federal government deal with Tribal governments in promoting the well-being of American Indians", and

WHEREAS, The President of the United States says, "Tribal government will be strengthened through these actions:, "such as encouragement for Tribes to assume responsibility for services such as the enforcement of Tribal laws, developing and managing Tribal resources, providing health and social services, and education, and

WHEREAS, at this critical time, the President of the United States vetoed the Reauthorization of P.L. 94-437, and

WHEREAS, with the Reauthorization of P.L. 94-437, several areas of health care will be improved, and

WHEREAS, the basics of P.L. 94-437 are similar in both the House and the Senate versions, and

BE IT RESOLVED: That the 4-State Great Lakes Regional Tribal Assembly requests the United States Congress to reauthorize P.L. 94-437, and the President of the United States to sign the Bill, and

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

BE IT RESOLVED: That the 4-State Great Lakes Regional Tribal Assembly requests the United States Congress and the President to fund the total Indian Health Service request, which includes the Community Health Representative Program, Tribal Contracts, etc., at the level requested by the Indian Health Service ($1,242.064), which will better meet the needs of the Indian people, and

BE IT RESOLVED: That the United States Congress and the President fund Indirect Costs for all Tribal contracts or agreements and provide funding for Tribes at adequate levels to manage their programs.

BE IT FURTHER RESOLVED: That the United States Congress and the President elevate the position of the Indian Health Service Director to the Assistant Secretary level within the Department of Health and Human Services.

BE IT FURTHER RESOLVED: That the United States Congress and the President does not cut the Indian Health Service budget which is for the health care of the American Indian people.

BE IT FURTHER RESOLVED: That the 4-State Great Lakes Regional Tribal Assembly requests the United States Congress to reauthorize P.L. 94-437, and add additional funding to the Indian Health Service budget to better meet the health care needs of all Indian people and to fully fund the Indian Health Service facilities priorities system.

BE IT FINALLY RESOLVED: That the 4-State Great lakes Regional Tribal Assembly requests that the National Congress of American Indians, the National Tribal Chairman's Association, the National Indian Health Board, and the Congressional delegations of the four (4) States to fully support this resolution and to initiate the necessary actions needed to implement this resolution in the United States Senate, United States House of Representatives, and the White House.

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, We understand the following proposed cuts that would specifically and totally affect Indian students across the Nation to be:

a) Federal Assistance to be capped at $4,000,
b) PELL would be cut from 3.6 billion to 2.9 billion,
c) That grants would be available only to students of families with less than a $25,000 adjusted gross income,
d) That the State Student Incentive Grants (SSIG) would be zeroed out,
e) That the College work/study program (CWP) and supplemental educational opportunity grant (SEDG) would be merged at $850 million with 50% being used for the SEDG Program,
f) That the Guaranteed Student Loan (GSL) Program be funded at $2.7 billion, approximately $400 million less than in 1985, and
g) That the government would only assume responsibility for 90% of defaulted loans, and

WHEREAS, the impact of this will result in an 80% drop-out rate of Indian students enrolled in post-secondary institutions, and

WHEREAS, these cuts will foster the already higher than average unemployment rate as it relates to Indian students, and

WHEREAS, these cuts would lead to an increase of Indian students on welfare roles, and

WHEREAS, we have more Indian students applying for financial aid, and

WHEREAS, approximately half of the eligible Indian students who apply for financial aid receive no BIA funding at all, and

WHEREAS, the current and future Indian students should not be penalized for the loan defaults of past loan recipients, and

WHEREAS, because a significant majority of Indian students are non-traditional as this relates to age, family situations previous academic preparation and tend to be first generation post-secondary students, and

WHEREAS, these cuts will be inconsistent with the philosophv of self-determination.

NOW, THEREFORE BE IT RESOLVED: That the Great Lakes Regional Tribal Assembly, and its participating Tribal Leadership vehemently oppose the proposed cuts and/or modifications in the FY '86 budget as it relates to Indian students' financial aids.

Adopted on 2/15/85
Great Lakes Regional Tribal Assembly

RESOLUTION

WHEREAS, The FY '86 budget for the operation of the Indian Programs, Bureau of Indian Affairs, indicate that the Johnson O'Malley Program is not being funded in FY '86, and

WHEREAS, the Bureau of Indian Affairs continues to recognize Indian Education and Indian children as its responsibility only for Bureau funded schools with a total disregard for Indian children who have been placed in public schools by the Bureau of Indian Affairs, and

WHEREAS, Impact Aid, (financial assistance to Federal impacted areas), P.L. 81-874, is not a supplemental program for Indian students but is a general aid program to public schools having Federal activities, and

WHEREAS, Chapter One is a supplemental program benefiting all students in public schools, and

WHEREAS, Bilingual Education is a supplemental program that only impact those students that have a limited English speaking ability, and

WHEREAS, the Head Start Program only impacts ages three to five and a limited income, and

WHEREAS, the Great lakes Regional Tribal Assembly views this arbitrary budget change as another blatant attempt by the Federal government to discontinue its protectorate trust responsibility of our most important resource, our youth.

NOW THEREFORE BE IT RESOLVED: That the Great Lakes Regional Tribal Assembly demands that the budget appropriation for FY '86 Bureau of Indian Affairs Johnson O'Malley Program be $56,000,000, because Johnson O'Malley funding has not been increased for twelve years.

BE IT FURTHER RESOLVED: That the Johnson O'Malley Program be restored to the 638 Contract Schools.

BE IT FURTHER RESOLVED: That the Bureau of Indian Affairs recognize Indian children who attend public schools as its responsibility and provide the same consideration for our children as for the Indian children who by virtue of their residence, attend a Bureau school. We view such discrimination against Indian children attending public schools as a violation of their Indian rights as member of Federally recognized tribes.

BE IT FINALLY RESOLVED: that copies of this resolution be sent to the Assistant Secretary on Indian Affairs; the Senate Select Committee on Indian Affairs; the Senate Appropriations Committee; the House Interior Appropriations Committee; the House Education and Labor Committee; the Minnesota, Michigan, Wisconsin and Iowa Congressional Delegations; the Northwest Affiliated Tribes; the Montana Indian Policy Board; the United Pueblo Council; all LIEC's within the Great Lakes Region; the National Tribal Chairman's Association; the National Congress of American Indians, to request their support to restore the Johnson O'Malley Program to the FY '86 budget for Bureau of Indian Affairs Operations of Indian Programs.

PASCUA
YAQUI
TRIBE

7474 S. CAMINO DE OESTE • TUCSON, ARIZONA 85746 • PHONE (602)883-2838

RECEIVED APR 05 1985

TESTIMONY TO THE SENATE SELECT
COMMITTEE ON INDIAN AFFAIRS FROM
PASCUA YAQUI TRIBE

Submitted by David G. Ramirez, Tribal Chairman, Pascua Yaqui Tribe

The Pascua Yaqui Tribe wishes to thank the Committee for accepting the following testimony and comments on the Johnson O'Malley Program.

The Pascua Yaqui Tribe has existed as a federally recognized Tribe since 1978. The reservation which serves as the headquarters for the Yaqui nation is located approximately 15 miles southwest of the City of Tucson in the State of Arizona. The overall population of the Tribe currently stands at 5,500 members of which 1,000 reside on the Reservation.

The proposed termination of the Johnson O'Malley Program would significantly affect our Tribe and impede the substantial progress that has been made in the relatively short status of a Federally Recognized Tribe.

The Tribal JOM Program has served as the hub for educational services on the reservation since the Education Department was terminated due to funding recisions serveral years ago. As the primary education program dealing with public school off the reservation (we maintain no public schools K-12), it has brought together parents, students, Tribal and School officials on programs and issues affecting Indian students. In addition the program has colloborated on important educational policies on the reservation, most notably the Pascua Yaqui Language Policy which was adopted by the Yaqui Tribal Council on September 15, 1984. This very important Policy declaration enabled the Tribe to become only the second Tribe in the United States to adopt a very needed policy on the Yaqui Language.

SERVICES

Through the years the project has been involved in developing programs for Yaqui Indian students on the reservation and in the public schools. These Programs are but a few that have envolved because of JOM funding:

- Language Policy
- Tutoring Programs
- Summer School Programs
- High School Scholarship
- Worshops/Inservices for parents, schools, and students
- Pascua Pueblo Youth Club
- Transportation
- Parent Advocacy
- Yaqui Youth Conference

The program is considered to be the intermidiary body for education recognized by Tucson Unified School District which is the state of Arizona's largest school district. The Parent Committee have worked intensely on acquiring proper educational services particularly in special education placements and programs benefitting Yaqui students. Through the efforts of this program, on targeted high school has lowered the drop out rate for Yaqui students which constitute 90% of the total Indian student population from 30% to less that 15% for this past year. In addition, 3 students in this high school pursued a fifth year of high school in order to graduate this year. The students dropping out of school were encouraged to attend alternative schools or training programs by tutoring and enrolling eligible students in the program.

Since the program has a very small staff (4) it has developed a coordination and referral network with Tribal, public school and community services agencies that is very effective in providing proper referrals. In addition, the programs staff have participated in the development of summer job training and recreation, and college recruitment programs for youth. It is the primary intermediory agent for Tribal agencies in the Courts, Social Service, Health, Employment and College Enrichment Program in matters of education.

BUDGETARY EFFECTS OF TERMINATION

If the termination of the Johnson O'Malley Program is carried thouth then the costs of educating Indian Children will bear not only parents, Tribes or schools themselves but will manifest itself by increases in crime, dependence on general assistance, all of which will be more costly to the federal government. It will also elimiate the Tribal access to education since we do not control our own public school system. The state of Arizona has also adopted higher academic standards, testing, and general requirements that will cause our students to lose the ground that they have been gaining through the years.

This is what elimination of the Johnson O'Malley Program will mean to the Pascua Yaqui Tribe.

We wish to thank the Committee for the opportunity to offer written testimony and comments on the impact of the termination of FY 86 Johnson O'Malley Program.

March 29, 1985

PUEBLO OF LAGUNA
P.O. BOX 194
LAGUNA, NEW MEXICO 87026

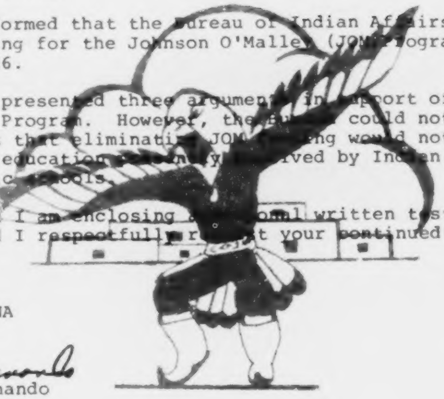
Office of:
The Governor
The Secretary
The Treasurer

(505) 243-7616
(505) 552-6654
(505) 552-6655

1985 APR 19 PM 1:54

Honorable Mark Andrews
Senate Select Committee on
Indian Affairs
U. S. Senate
Washington, DC 20510

Dear Senator Andrews:



I have been informed that the Bureau of Indian Affairs has not requested funding for the Johnson O'Malley (JOM) Program in Fiscal Year 1986.

The Bureau had presented three arguments in support of eliminating the JOM Program. However, the Bureau could not provide such assurances that eliminating JOM funding would not reduce the quality of education presently received by Indian children attending public schools.

At your request I am enclosing additional written testimony on this matter and I respectfully request your continued support.

Sincerely,

PUEBLO OF LAGUNA

Chester T. Fernando
Chester T. Fernando
Governor

Enclosures

JOHNSON O'MALLEY FUNDS

Position Statement

PUEBLO OF LAGUNA
Chester T. Fernando, Governor

I have received notification that the Bureau of Indian Affairs 1986 Budget Request is $927.4 million, more specifically the Department of the Interior is recommending to Congress, RE: BIA Release, February 4, 1985, that Johnson O'Malley Education Assistance be funded for Fiscal Year 1985, however, calls for zero funding for Fiscal Year 1986.

We are again faced with a crucial situation with the lack of funds for Fiscal Year 1985 and with the steady decrease in education funding will be even more critical if the program is terminated in its entirety and unexpectently.

The enactment of a special legislation (Johnson O'Malley Act of April 16, 1934, amended by the Act of June 4, 1936 and further amended by the Act of January 4, 1975) by the Congress of the United States provides that upon entering into a contract the Johnson O'Malley program, "shall be for the purpose of financially assisting those efforts designed to meet the specialized and unique educational needs of eligible Indian students, including programs supplemental to the regular school program and school operational support where such support is necessary to maintain established State Educational Standards". (Federal Register, Vol. 40, No. 213, Tuesday, November 4, 1975, Subpart A, General Provisions, 273.1 Purpose and Scope)

The Pueblo of Laguna has contracted the Johnson O'Malley Program in the past in good faith under Public Law 93-638 Self Determination Act to carry out that intent as there is that concern of special needs and has made greater committments to meeting the unique needs of our children.

The rationale used by the Bureau of Indian Affairs for zero funding was that other programs such as Title IV, Impact Aid, Chapter I and Head Start presently also provide funds for Indian students in the same public schools and will continue to do sc.

Allegation was made that Johnson O'Malley funds are being used for basic public school activities that benefit all students in the school and are not aimed at the unique needs of Indian students.

The indication is that the Bureau of Indian Affairs is primarily concerned with its own in-house operations and justification for expenditures as stated, "savings will be directed toward priority funding needs, including the implementation of education standards in Bureau of Indian Affairs funded schools", an allegency with no further concern for programs such as Johnson O'Malley which meets the special and unique needs of our children on the reservations.

Our Indian children do receive direct educational benefits from the Johnson O'Malley Program funds and would cause a hardship especially in the area of services now provided. Attached is a list of programs offered under our program and has made an impact with the school wherein it is a forerunner for further development with the best curriculum possible.

Let me emphasize, the Bureau of Indian Affairs was set up as an agent answering to the trust responsibility mandate set by the United States Government for Indian Tribes to include all areas of education and to serve as its primary objective. With the budget cut for Johnson O'Malley in its entirety for Fiscal Year 1986 and limited services on the people falling under this trust responsibility mandate are not evident and does not address the well being of the Indian children who cannot speak for themselves in defending their needs for quality education and beyond, such as has been mentioned, the specialized and unique needs.

The Pueblo of Laguna views Johnson O'Malley as a vital avenue to meeting the needs of our children and without the continued financial support it is impossible for the Pueblo of fulfill the aspiration of its people, therefore, the Pueblo of Laguna submits this position paper in order that this message will be relayed to our congressional delegates and hopefully may be afforded the opportunity as a public witness when hearings are held on the Fiscal Year 1986 Bureau of Indian Affairs budget.

Conclusively, we strongly object to such cuts and it is with this concern that the Pueblo of Laguna entrusts the Department of Interior to advocate for the Indian Tribes to Congress of the United States that the Johnson O'Malley funds be restored for Fiscal Year 1986 and thereafter for the sake of our children who are the beneficiary.

Most important the Pueblo of Laguna requests directly to the Congressional delegates that they take this matter into consideration for continued funding.

PUEBLO OF LAGUNA

Chester T. Fernando
Chester T. Fernando
Governor

The Johnson O'Malley program has provided the following services to Indian students in the Pueblo of Laguna reservation area beginning in 1983-84. This program was previously a joint program of the Pueblo of Acoma and the Pueblo of Laguna. In FY 1984 Laguna began its own program through the Laguna Division of Education.

An Accelerated Program of learning has been prepared for those Indian students who are preparing for post secondary schools. Since the school district is unable to provide preparatory classes for students, the Johnson O'Malley program has undertaken a project to inform students, as well as, boost skills they already possess. Math, Science, and English are the main areas of concentration. Since many vocational schools are beginning to require at least an average knowledge of writing and basic English, it was also included at all levels. The school district does not provide any of this type of service, over and above the regular school curriculum. Our program has provided this service. This project is open to any Indian student who would like to participate with plans of continuing their education. Along with the preparatory courses of study in the accelerated project, information is included on funding and what procedures are to be followed in applying to post secondary schools. Field trips have been provided to help students get familiar with campuses they may be interested in visiting. The school is unable to provide those students continuing their education with enrollment procedure, office location and scheduling of instructors and general information.

A tutoring project has been established for the eastern half of the school district. This tutoring project is for students in grades one through twelve, and is held after school hours for the benefit of elementary school students who would like to take part. The main focus of this project is remedial help for those students who are behind or who have failed to grasp certain concepts in the course of regular class work. This project has been most beneficial to students who were behind in regular classes in the Junior and Senior high school and reading and math for elementary students.

The Laguna Johnson O'Malley program operates one activity/ special transportation bus. The bus is a General Services Administration vehicle leased to our program to save on costs for transportation. The school district does not own buses and has to lease from private transportation companies. The cost is quite high for buses from private companies, therefore, our program applied to G.S.A. for a vehicle and was allowed to lease one. This bus is not used for athletic purposes only, it is used for educational trips that the school is unable to fund because of the high cost of rental fees to the private companies. The service would not be available without the Johnson O'Malley program providing the vehicle for transportation. The after-school tutoring program participants are transported home on this bus. Students in athletics, held after school hours, are also eligible to use the bus service but it is a secondary consideration; for example, if there is not enough seating for students involved in academic projects, athletics will be displaced. The school trips are reviewed by the Johnson O'Malley staff and the Indian Education Committee (IEC) to determine the educational value and whether or not the trip is worth the cost. So far all trips taken have been for a maximum number of students and of educational value. The trips taken would have not ordinarily been scheduled since the school is unable to pay the cost of educational trips.

The Johnson O'Malley program has always tried to include in all aspects of the projects provided a section on social issues and student responsibility. Since the Johnson O'Malley staff are professional educators, each project is planned to give the student an idea of how their lives are affected by the social issues that will be involving them very soon. Keeping in mind that academic growth and achievement are the main goals and purposes of our program, any person who is hired as a consultant or in a teaching capacity must be a professional also. By hiring professional people it adds credibility to our overall program and moves this project toward the goals and high standards we have set for ourselves.

During the past three years, the first year under the Johnson O'Malley joint Laguna and Acoma program, a summer school has been held in the school district. The school district has been unable to have a summer school program since 1979 because of lack of funds. Indian students wishing to make up credits had to travel to Albuquerque, about 48 miles from Laguna and about 58 miles from Acoma, to attend an accredited summer school program. The Johnson O'Malley program now provides the funds for teachers, transportation (out of GSA), bus drivers and custodial services to operate the summer school. The school district provides the classroom space, the books, facilities and cost of electricity for lights and the curriculum guide to keep the graduation schedule of the students in line with the district requirements. The Johnson O'Malley staff does the entire administrative portion of the project, even though at least one school administrator is present during the summer. The success of this project has been phenomenal, the student success rate in three years has been 98% passing with at least a letter grade of "C" (average) and 2% failure or letter grade of "F". In the course of three years there have been only two students who have dropped out of the program, one for medical reasons and one for no apparent reason, with an average of 68 students per year.

The Johnson O'Malley program still provides school supplies to Indian students but it is one of the small services provided by our program office. This is important to many people since the area is now in a period of high unemployment and closings of uranium mines that had bolstered the economy for several years.

These are only the highlights of the Johnson O'Malley program at the Pueblo of Laguna and they are by no means the only activities that the program is involved with. The activities listed are those that seem to be the most important to the community to help meet the special and unique needs of the Indian students. Without the Johnson O'Malley program all activities with a special focus on Indian students would be non-existent. The other program for Indian students does not come close to satisfying the same needs our program does which is the

Title IV Program. Our most current plans are to hold a summer school project for elementary school children as soon as all legal aspects are charted through the New Mexico State Department of Education. Academics, again, are the main focus of this project. There is no other program that has yet undertaken this sort of summer program. We also plan to distribute a survey to all Indian high school students to determine their needs pertaining to post secondary training and how our program can help prepare them while they are still in Junior and Senior high school. Contrary to reports justifying the shutting off of the Johnson O'Malley funding for FY 1986, our program is a complete reversal of audits and reports justifying the zero budget. Our Laguna Johnson O'Malley program has set a very high standard for performance and is upholding the standard with a small amount of funding and cost effective and staying away from recreational and cultural activities which are very easy to substitute and call a program. Even the public school is not providing adequate recreational and cultural activities which is an important part of the student's life while living on the reservation.

Johnson O'Malley Program
Fiscal Year 1985

The proposal for the current year will reflect the changes to be made in making the program more academic oriented for maximum student benefit.

This proposal reflects the type of project that will be a supplement to the existing school curriculum, trying to help with problem areas the school cannot account for. First, after school tutoring is set up to help those students that may not be receiving much individual help in class and therefore may lose out on the full benefit of a class. Past experience has shown that the two major areas of concern are English and Math. The school does not provide any time for extra help and since many teachers are unable to stay after school to help students the J.O.M. program makes this help available. The program will use teachers certified in the area they are available. The program will use teachers certified in the area they are tutoring so the students will be receiving help along the lines they have already studied in order to catch up or get a better understanding of the subject area. The Accelerated Learning Program is for students that may be able to function over and above the regular school curriculum. This program is obviously not for all students but there are several students that can function at an accelerated pace that the school also does not provide for. This part of the project is to present to all parents and students as well as school staff issues of concern to the community. Working in conjunction with tribal programs make presentations that are of concern to the people of the district such as drug and alcohol abuse, suicide, rights and responsibilities of students and parents, higher education and training and many more. One goal of this project is to bring closer together the three groups mentioned. Next is Supplemental Transportation for activities that the school has but cannot provide the transportation for. In the past, athletics has been a priority; although athletics are important, they will no longer be the main focus. Educational trips and other activities such as individual class trips will be given preference. Lastly, summer projects such as the Summer School Program for students that lack credits in keeping with their graduation schedule will be offered. Tuition charges will be levied to make up for costs incurred to the program that may not be covered in the budget. The district has not offered any summer school courses for several years and students have not been able to get credits to help them on their schedule, it also helps by keeping students interested and allows them to complete their education at the high school level.

Our program also provides the school supplies needed which relate to specialized and unique needs of the students.

Johnson O'Malley Program

Position Paper

The Laguna Johnson O'Malley Program is in dissent of the zero funding that has been proposed for the FY 1986 Bureau of Indian Affairs Education budget. The Laguna program has now been in operation for two years beginning in FY 1984 and continuing through FY 1985. The zero budget proposal will have a great impact nationwide on Indian Education and the furthering of education for Indian students. The deletion of Johnson O'Malley funds from the education budget will affect areas such as we have at Laguna, a reservation with a large population of Indian students attending one small high school and a medium size high school (Grants). The school district is not one that has a large budget to carry on programs or activities to benefit all students much less the Indian students. The entire student population is 4475 from grades Kindergarten through the twelfth grades, 914 of those students are Indian students; 402 of these 914 are enrolled in grades seven to twelve at the Laguna-Acoma Junior Senior High School, plus another 55 students in elementary school on or near the reservation for a total of 457 students who qualify for JOM funds. One half of the total Indian enrollment for Grants-Cibola County schools is within 10 miles of the Laguna Tribal building.

The Laguna reservation is approximately 28 miles from the city of Grants, where the school administration is headquartered. All of the activities sponsored by the Laguna Johnson O'Malley Program are those that cannot be offered by the school district itself. Small, tribal programs such as ours are the ones that are rarely looked at for cost effectiveness and program development; also an excellent rapport with the school district has been established and that school district does not control the Laguna Johnson O'Malley funds.

The Johnson O'Malley Program is a very much needed program. Areas that have large concentrations of Indian students must be allowed to have Johnson O'Malley funds to carry out the mission that Johnson O'Malley was meant to do. The zero budget for FY 1986 must be changed or looked into further before changes are made.

JEMEZ-COCHITI-SANTA ANA-SANDIA-ZIA

FIVE SANDOVAL INDIAN PUEBLOS, INC.

STATEMENT OF MR. RAMUS SUINA, CHAIRMAN
FIVE SANDOVAL INDIAN PUEBLOS, INC.
BEFORE THE HOUSE APPROPRIATIONS INTERIOR SUB-COMMITTEE FOR THE DEPARTMENT OF THE INTERIOR & RELATED AGENCIES ON THE FISCAL YEAR 1986 BUDGET

APRIL 04, 1985

Mr. Chairman, I appreciate the opportunity to testify today on behalf of Five Sandoval Indian Pueblos (FSIP). With me is Mr. Bernard Teba, Executive Director of our organization and Mr. Archie Chavez, our Board Secretary. My name is Ramus Suina. I am the Governing Board Chairman of the five member consortium of smaller Pueblos located along the Rio Grande River in central New Mexico. FSIP is comprised of the Pueblos of Cochiti, Jemez, Sandia, Santa Ana and Zia, all located in Sandoval County, New Mexico where sixty percent of the population is Indian.

Geographically, Sandia is located closest to the major hospital which is 24 miles away in Albuquerque, while Jemez is farthest away at approximately 45 miles from this same hospital. Cochiti, Sandia and Santa Ana have general medical clinic service approximately two-and-one-half hours per week, which is a total of ten hours a month of community medical care through Indian Health Service for each of these Pueblos. The Community Health Representative (CHR) program is very important to us because it provides ten hours a month of care for each of the 582 members of these three tribes. Pueblo people in Sandoval County are very dependent on the medical services being provided through Indian Health Service funding because the Department of Health & Human Services has designated the area as medically underserved.

I am testifying in opposition to the proposed elimination of funding for the $25.4 million Community Health Representative program. We also oppose the $10.7 million decrease in Hospital and Health Clinic Services and also the $8.2 million proposed reduction in Contract Health Care Services. We are in support of the IHS request for an addition of $5.0 million for administrative overhead costs of PL93-638 contracts for fiscal 1986. Additionally, Albuquerque area office contractors have been notified of a total fiscal 1985 shortfall of $614,949 in these overhead costs, of which Five Sandoval Indian Pueblos has an unmet indirect cost need of $48,214. (Reference Attachment A - Table, that lists the individual totals of unmet overhead costs for each of the sixteen contractors.) I am also requesting that this shortfall be made available to the contractors through inclusion of the funding in the fiscal 1985 Interior & Related Agencies Supplemental Appropriations bill.

IHS has correctly noted the importance of these overhead costs to success by Indian contractors in administering programs under PL93-638 by stating at IH-37 of the FY1986 Appropriation Justification that ". . . this increase is needed to fund the additional tribal administrative costs associated with the

(505) 867-3351 P. O. Box 580 Bernalillo, New Mexico 87004

contracting of programs under PL93-638 for the implementation of self-determination . . ." Attachment A is a list of the shortfall in these costs for fiscal 1985 for each of the sixteen contractors in the Albuquerque area who, like FSIP, should not have to wait until fiscal 1986 to be paid these statutory costs authorized at Section 106(h) of the Indian Self-Determination Act of 1975. (Reference is made to Section 106(h) of PL93-638 where it states that, ". . . the amount of funds provided under . . . contracts . . . shall not be less than the Secretary would have otherwise provided for his direct operation of the program . . . for the period covered by the contract. . . .)

Since passage of PL93-638 some ten years ago, acknowledgment of the importance and payment of these overhead costs, incurred by tribal contractors, has seldom been sufficient to provide a fair test of Congressional intent in passage of the Indian Self-Determination Act.

It is, therefore, important for IHS to have recognized in this way that self-determination, and contracting, is dependent upon an adequate funding of indirect costs associated with these contracts. These indirect costs

> "include certain costs that do not appear anywhere in the IHS budget but which the contractor must incur. These are referred to as non-federal operation costs. For example, the government is a self-insurer, but if a tribe contracts an IHS function under PL93-638, the tribe must purchase liability insurance (e.g., malpractice insurance). Indirect costs include expenditures such as compensation for injury, employee benefits, audits, tribal health department structure, financial management systems, and personnel systems . . .".

By example, at FSIP indirect costs are incurred for fringe benefits that include insurance, a pension plan and workmen's compensation; for travel expenses due to FSIP's geographic isolation; and, most importantly, for the entire financial management and personnel systems and audit costs.

The remainder of our statement is in opposition to proposed reductions in other vital IHS programs that also directly impact on the availability and provision of adequate health care for Pueblo peoples. Our opposition to these reductions is based on our understanding that the goal of IHS is to raise the health status of Indian and Alaskan Native people to the highest possible level. This mission is described as: (1) assuring the availability of high quality compreshensive, accessible health services; (2) providing increased opportunities for Indians to manage and operate their own health programs; and (3) serving as a health advocate for Indian people.

The proposed nationwide reduction of $10.7 million in hospital and health clinic programs will negatively affect health care provided by causing a service level reduction from the 152,832 Pueblo patients seen in the previous year (Albuquerque Service Unit equals 69,487 and Santa Fe Service Unit equals 84,345). The effect of this proposed nationwide reduction would be the amount by which the Albuquerque Service Unit budget of $11,566,200 and the Santa Fe Service Unit budget of $14,750,200 would ultimately be reduced.

This proposed $10.7 million reduction is incongruent with the statement that ". . . IHS continues to emphasize the implementation of the Indian Self-Determination & Education Assistance Act, Public Law 93-638, by assisting tribes and tribal organizations in the assumption of the operation and management of hospital and health clinics activities." (Reference IH-46, FY1986 Appropriations Justification.) In light of the purpose for the funding, the proposed reduction is toc drastic and we ask of the Subcommittee today to deny this request.

The proposed nationwide reduction of $8.2 million in Contract Health Care (Reference IH-64, FY1986 Appropriation Justification) is ill-advised because the purchase of medical care from non-IHS and non-tribal providers is an option critical to delivery of specialized medical care to Indian people. Any reduction in this line item will necessarily reduce the number of contracts with these private providers (approximately 1,300 nationwide) to the detriment of specialty care to Indian people.

Notwithstanding the apparent "freeze" on most domestic budget items from Fy1985 to FY1986, recent administration testimony at the Oversight Hearing on this IHS FY1986 Budget did not mention budgetary savings by reducing this critical program. The statement by the Administrator of the Health Resources & Services Administration, Department of Health & Human Services, instead stated that ". . . $18 million is available to meet essential cost increases to support health care delivery . . . ." (Reference prepared statement for 26 February 1985 House Interior & Insular Affairs Committee hearing.)

The administration has again proposed elimination of the comparatively small $25.5 million appropriation for the Community Health Representative program. Since the present administration's tenure began, Indian people have had to come before your subcommittee to appeal for restoration of this funding that provides community-oriented primary care services utilizing local, well-trained health workers. Each year, you and your subcommittee have restored this funding, and we appeal to you to do so again.

For Five Sandoval Indian Pueblos the $269,191 in fiscal 1985 CHR funding is providing for 10,740 direct patient contacts as indicated in Attachment B. The fundamental importance of this first-line medical care for Indians has been well noted by Dr. Emery Johnson (former Director of the Indian Health Service) in his recent testimony concerning the reauthorizing legislation for the Indian Health Care Improvement Act. Dr. Johnson's prepared statement for that occasion correctly states that, "Including the Community Health Representative program as one of the basic IHS responsibilities is important. In the Senate Bill (S.277), the Community Health Representative program is identified as an essential component of the Indian health system authorized under the authority of the Snyder Act and was, in fact, funded under that authority for several years before the enactment of the original Indian Health Care Improvement Act. CHRs are not a peripheral service, but are the fundamental access point for the Indian patient into his health services delivery system. I would recommend that this bill also acknowledge that the Snyder Act is the basic authorizing legislation for the CHR."

FSIP concurs with this assessment of the need to continue with the authorization for the CHR program and urges your subcommittee to, likewise, continue to provide at least the minimum $25.5 million appropriation for fiscal 1986.

Thank you for your consideration of our recommendations, and we will be pleased to respond to any inquiries you might have regarding our testimony.

ATTACHMENT A

Albuquerque Area Office
INDIAN HEALTH SERVICE
ADMINISTRATIVE OVERHEAD COSTS

Unmet Funding (*) Against PL93-638 Contracts For FY1985

Tribal Contractor	Total Unmet Indirect Cost
1 - Acoma Pueblo	$ 44,922
2 - All Indian Pueblo Council	$ 76,587
3 - Alamo Navajo School Board	$106,256
4 - Canancito Navajo	0.00
5 - Five Sandoval Indian Pueblos	$ 48,214
6 - Isleta Pueblo	0.00
7 - Jicarilla Apache	0.00
8 - Laguna Pueblo	$ 92,437
9 - Mescalero Apache	$ 4,510
10 - Ramah Navajo	$108,043
11 - Santa Clara Pueblo	$ 10,364
12 - Southern Ute Tribe	$ 34,696
13 - Taos Pueblo	$ 12,939
14 - Ute Mountain Tribe	$ 16,179
15 - Zuni Pueblo	$ 48,790
16 - Eight Northern Indian Pueblos	$ 17,865
	TOTAL:....$614,949

(*) The $614,949 administrative overhead cost unmet funding figure is derived by multiplying the total volume of PL93-638 contracts, identified by Indian Health Service, by the Office of Inspector General - US Department of the Interior approved Indirect Cost Rate for each contractor above. This rate is established in accordance with Federal Management Circular 74-4 committee agreement.

ATTACHMENT B

FY 84

Direct Services	Patients Served
A. Home Visits (Home Health Care)	4,548
B. Emergency Medical Responses	360
C. Patient Assistance in Clinics (patients seen, charting, screening, interpretations, pre/post natal, well child, WIC)	2,952
D. Dental Services:	
Orthodontic patients	600
Examinations	312
Fillings/extractions	504
Crown & Bridges	168
E. Optometry	792
F. Sanitation Services (Water, sewer, rodent control)	120
G. Screenings (Diabetes, hypertension, rabies, ear, etc.)	384
Total Patient Contacts	10,740
Indirect Services	
Health Education/Preventive Health	638
Agency/Tribal Liaison Services	120
Medication	72

Albuquerque Area Office
INDIAN HEALTH SERVICE
ADMINISTRATIVE OVERHEAD COSTS

Unmet Funding (*) Against PL93-638 Contracts For FY1985

Tribal Contractor	Total Unmet Indirect Cost
1 - Acoma Pueblo	$ 44,922
2 - All Indian Pueblo Council	$ 76,587
3 - Alamo Navajo School Board	$106,256
4 - Canancito Navajo	0.00
5 - Five Sandoval Indian Pueblos	$ 48,214
6 - Isleta Pueblo	0.00
7 - Jicarilla Apache	0.00
8 - Laguna Pueblo	$ 92,437
9 - Mescalero Apache	$ 4,510
10 - Ramah Navajo	$108,043
11 - Santa Clara Pueblo	$ 10,364
12 - Southern Ute Tribe	$ 34,696
13 - Taos Pueblo	$ 12,939
14 - Ute Mountain Tribe	$ 16,179
15 - Zuni Pueblo	$ 48,790
16 - Eight Northern Indian Pueblos	$ 17,865
	TOTAL:....$614,949

(*) The $614,949 administrative overhead cost unmet funding figure is derived by multiplying the total volume of PL93-638 contracts, identified by Indian Health Service, by the Office of Inspector General - US Department of the Interior approved Indirect Cost Rate for each contractor above. This rate is established in accordance with Federal Management Circular 74-4 committee agreement.

ENTERED 3-8-85

INDIRECT COST REQUIREMENTS FOR FISCAL YEAR 1985

AREA	UNFUNDED F.Y. 85 REQUIREMENT
ABERDEEN	558,575
ALASKA	2,101,667
ALBUQUERQUE	614,949
BEMIDJI	902,385
BILLINGS	90,418
CALIFORNIA	2,803,127
NASHVILLE	1,432,193
NAVAJO	1,083,127
OKLAHOMA	2,470,000
PHOENIX	500,000
PORTLAND	- 0 -
TUCSON	
	$14,644,211

	TOTAL FUNDS AVAILABLE	IC RATE 0/0	PROGRAM OPERATION	INDIRECT COST		IC $'s	BUY INDIAN	638
CHR PROGRAM								
Acoma Pueblo	126,626	14.5	110,590	16,036		16,036		X
Alamo	86,735	29.3	61,322	25,413		25,413		X
Canoncito	76,854						X	
Five Sandoval	263,913	14.5	235,101	34,090		34,090		X
Isleta	173,965						X	
Jicarilla	142,234						X	
Laguna	270,538	26.	214,713	55,825		55,825		X
Mescalero	171,626						X	
Nambe	14,310						X	
Picuris	40,000						X	
Pojoaque	30,756						X	
Ramah	48,790	20.7	40,423	8,367		8,367		X
San Felipe	62,966						X	
San Ildefonso	39,400						X	
San Juan	50,573						X	
Santa Clara	79,720	13.	69,356	10,364		10,364	X	
Santo Domingo	105,157						X	
Southern Ute	47,185						X	
Taos	62,575	26.1	49,576	12,939		12,939	X	
Tesuque	13,052						X	
Ute Mt. Ute	75,544	8.3	69,754	5,790		5,790	X	
Zuni	93,326	15.2	165,236	28,090		28,090	X	
ALCOHOL PROGRAM					TOTAL	197,214		
AIPC	179,811	16.8	149,603	30,208		30,208	X	
Acoma Pueblo	69,339	14.5	60,558	8,781		8,781	X	
8 Northern	136,967	15	119,102	17,865		17,865		X
5 Sandoval	97,378	14.5	83,258	14,120		14,120		X
Laguna Pueblo	97,859	23.1	79,496	18,363		18,363		X
Southern Ute	266,002	15	231,306	34,696		34,696		X
Ute Mt. Ute	65,046	8.3	60,061	4,985		4,985		X
Zuni Pueblo	89,021	17.2	75,957	13,064		13,064	X	
					TOTAL	142,092		
'ALTH DELIVERY								
amah Navajo	581,205	20.7	481,529	99,676		99,676		X
[illegible] Navajo	278,610	22.4	197,767	80,843		80,843		X
Ute Mt. Ute	76.016	8.9	64,822	11,194		11,194		X
					TOTAL	191,713		
638 PENDING								
Mescalero (Social Worker)		7%				4,510		X
Acoma (LPN,RN,MH Tech.)		23.29				20,105		X
Laguna (Ment.Hlth.Tech.)		23.1				5,310		X
					TOTAL	29,925		
OTHER CONTRACTS								
Zuni(OM)	44,398	17.2	36,762	7,636		7,636	X	
AIPC (OM)	154,000	20%	123,200	30,800		30,800	X	
AIPC (HB)	77,896	20%	62,317	15,579		15,579	X	
(OM-Otitis Media)(HB-Hlth.Bd.)					TOTAL	54,015		
					GRAND TOTAL	614,949		

FEB 1985
gary townsend /Santa Fe

PROPOSED "Q.&A."

FY1986 Indian Health Service Budget

IHS'FY1986 Budget Request proposes to increase by $5.0million the PL93-638 contracts line-item and supports this request by stating,@ page IH-37 of the IHS Appropriation Justification Highlight, that "...this increase is needed to fund the additional tribal administrative costs associated with the contracting of programs under PL93-638 for the implementation of Indian Self-Determination...". While the Committee acknowledges the need for this funding to pay for the indirect costs that tribes incur in contracting under PL93-638, it is also concerned about the likelihood of an unmet backlog, of these indirect costs, for such tribal contracts in FY1985. For example, we understand that @ the Albuquerque Area Office, alone, the documented unmet indirect cost's need for this fiscal year is $614,999. (Reference the attached list of sixteen Navajo and Pueblo contractors of IHS PL93-638 contracts for Fiscal Year 1985).

QUESTION: With this example from the Albuquerque Area in mind, "isn't this backlog need just as great for this FY1985, such that a supplemental request for these administrative overhead costs ought to be included in the pending IHS FY1985 Supplemental Appropriations Request to Congress?

ANSWER: NEEDED FROM IHS For The REcord of Udall's Interior Committee Oversight Hearing on IHS (Feb 26th); Senate Select Committee on Indian Affairs hearing on IHS (Feb 27th) and Yates' Interior Appropriations hearing on IHS (March 26)

SAN DIEGO
AMERICAN INDIAN
HEALTH CENTER

RECEIVED MAR 0 4 1985

February 26, 1985

THE HONORABLE MARK ANDREWS, CHAIRMAN
Senate Select Committee On Indian Affairs
United States Senate
Washington, D.C. 20510

Dear Senator Andrews,

I am pleased to submit for your consideration the enclosed testimony to the members of the Senate Select Committee on Indian Affairs in support of the inclusion of funds for urban American Indian health care.

As you are well aware, the President has again proposed to eliminate funds for the continuation of this program within the Indian Health Service. I am sure your committee will recommend rejection of the President's plan in this regard and wish to express my support on behalf of this Center and its participants for such support.

I appreciate your concern and that of your committee toward the continued positive welfare of the American Indian people who live off-reservations and in urban centers.

Wishing you best regards in your difficult challenges,

Sincerely yours,

Ralph Forquera, M.P.H.
Executive Director

2561 1st Avenue San Diego, CA 92103 (619) 234-2158 5

SAN DIEGO
AMERICAN INDIAN
HEALTH CENTER

TO: SENATE SELECT COMMITTEE ON INDIAN AFFAIRS

FROM: RALPH FORQUERA, M.P.H.

RE: TESTIMONY PERTAINING TO THE BUDGETARY OVERSIGHT OF FUNDS FOR THE CONTINUATION OF THE URBAN AMERICAN INDIAN HEALTH PROJECTS.

SENATOR ANDREWS AND MEMBERS OF THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS, MY NAME IS RALPH FORQUERA. I AM THE EXECUTIVE DIRECTOR OF THE SAN DIEGO AMERICAN INDIAN HEALTH CENTER, INC., IN SAN DIEGO CALIFORNIA. I HAVE BEEN ASKED TO SUBMIT THIS TESTIMONY FOR YOUR CONSIDERATION BY THE BOARD OF DIRECTORS AND THE AMERICAN INDIAN COMMUNITY IN SAN DIEGO.

ONCE AGAIN, PRESIDENT REAGAN'S FY 1986 BUDGET PROPOSES TO ELIMINATE FEDERAL SUPPORT FOR URBAN AMERICAN INDIAN HEALTH CARE. FOR THE PAST FOUR YEARS, THE PRESIDENT HAS MADE A SIMILAR PROPOSAL WHICH THE CONGRESS HAS REPEATEDLY REJECTED. WE APPLAUD YOUR STANCE ON CONTINUING THESE VITAL AND BASIC RESOURCES FOR THE URBAN AMERICAN INDIAN PEOPLE, AND EXPRESS OUR WHOLEHEARTED SUPPORT FOR YOUR CONTINUED REJECTION OF THE PRESIDENT'S MOST UNTENABLE POSITION.

THROUGHOUT THE INDIAN HEALTH SYSTEM, URBAN INDIAN HEALTH CARE HAS BEEN AND CONTINUES TO BE AN EFFECTIVE PROGRAM IN THE PURSUIT OF THE GOAL OF THE INDIAN HEALTH CARE IMPROVEMENT ACT OF "IMPROVING

THE HEALTH STATUS OF AMERICAN INDIANS". LAST YEAR, ONLY $9.7 MILLION WAS APPROPRIATED TO SUPPORT 37 URBAN PROJECTS NATIONWIDE. MANY OF THESE PROGRAMS ARE LOCATED IN AREAS WHERE THE COST OF MEDICAL CARE IS AMONG THE HIGHEST IN THE NATION. AS AN EXAMPLE, THE COST OF HEALTH SERVICES IN SAN DIEGO CONTINUES TO BE THE THIRD HIGHEST IN THE COUNTRY. THE PRESENT PHILOSOPHY OF INCREASED COMPETITION AND INCREASED RESTRICTIONS IN ELIGIBILITY FOR SERVICES AS A MEANS OF CONTROLLING HEALTH CARE COSTS HAS NOT HAD A DRAMATIC EFFECT. IN FACT, COMPETITION HAS SPARKED A TYPE OF "MEDICAL ARMS RACE" WHICH IS FURTHER EXACERBATING THE PROBLEM. PROGRAMS DESIGNED TO HELP THE LOWER-INCOME CITIZENS ARE INCREASINGLY CHALLENGED TO PROVIDE MORE AND MORE SERVICES ON LESS AND LESS MONEY. IT IS ONLY THE LARGER HEALTH CARE INSTITUTIONS WITH SUFFICIENT CAPITAL TO INVEST IN HIGH-TECH MEDICINE THAT ARE FLOURISHING. OFTEN, PROFIT IS GIVEN GREATER WEIGHT THAN THE WELL-BEING OF THE AMERICAN PEOPLE.

HEALTH CARE CANNOT BE EQUATED WITH OTHER TYPES OF BUSINESSES. ITS BOTTOM LINE IS NOT PROFIT, BUT THE HEALTH AND WELL-BEING OF THE AMERICAN PEOPLE.

MANY URBAN AMERICAN INDIAN HEALTH PROJECTS HAVE BEEN CREATIVE IN DEVELOPING COST-EFFECTIVE SERVICES. WITHOUT THESE EFFORTS, WE REALIZE THAT, IN THE CASE OF AMERICAN INDIANS, PEOPLE WOULD SUFFER NEEDLESSLY. HOWEVER, WE ARE RAPIDLY REACHING THE LIMIT OF THESE COST-SAVING METHODOLOGIES. IT WILL SOON BE IMPOSSIBLE TO PROVIDE QUALITY HEALTH CARE TO THE LOW-INCOME, A POPULATION UNFORTUNATELY REPRESENTED BY A SIZEABLE AMERICAN INDIAN CONSTITUENCY.

THE COST OF MEDICAL CARE AS WELL AS THE SWELLING FEDERAL DEFICIT ARE CONCERNS TO ALL AMERICANS. HOWEVER, TO PROPOSE THE ELIMINATION OF COST-EFFECTIVE PROGRAMS WITHOUT HAVING ACCEPTABLE ALTERNATIVES IS AN UNWISE POLICY.

WE FEEL THAT THE URBAN AMERICAN INDIAN PROGRAMS EXEMPLIFY THE TRUE MEANING OF PROVIDING ACCESSIBLE AND COST-EFFECTIVE PRIMARY HEALTH CARE. HOWEVER, THE FOUNDATION OF THESE PROGRAMS STILL RESTS WITH THE FEDERAL GOVERNMENT THROUGH THE INDIAN HEALTH SERVICE. THEREFORE, WE ENCOURAGE YOUR CONTINUED REJECTION OF THE PRESIDENT'S PROPOSAL TO ELIMINATE FUNDING FOR URBAN INDIAN HEALTH CARE AND ASK THAT SUFFICIENT FUNDS BE APPROPRIATED TO ENSURE THAT THIS VITAL RESOURCE REMAINS AVAILABLE TO URBAN AMERICAN INDIAN PEOPLE.

THANK YOU FOR THE OPPORTUNITY TO PROVIDE THIS TESTIMONY ON BEHALF OF THE SAN DIEGO AMERICAN INDIAN HEALTH CENTER AND THE AMERICAN INDIAN PEOPLE WE SERVE. WE EXTEND OUR APPRECIATION FOR YOUR CONCERN AND DEDICATION TO THE WELFARE OF INDIAN PEOPLE.

1.0 SHIPROCK HOSPITAL STEERING COMMITTEE BACKGROUND INFORMATION

This Shiprock area citizens' committee was established in November 1984 primarily to effect the planning and modernization of the present Shiprock, New Mexico, Indian Health Serivce (IHS) Hospital. The committee formed out of the citizenrys' concern of the continued poor hospital facilities and related inadquacies of health care delivery. The committee consists of 40 or so volunteer members of the Shiprock area who are concerned about the present inadequacies of the Shiprock IHS medical facilities. The committee has enlisted the support of 21 chapters (local Navajo governmental political subdivisions) and other local organizations.

The Shiprock Hospital Steering Committee (SHSC) is recognized by the Health and Human Services Committee of the Navajo Tribal Council, Window Rock, Navajo Nation, (Arizona). The SHSC's functions include the establishment and coordination of various relationships with relevant tribal, federal, state or other private organizations to minimize modernization delays, to advocate for an appropriate plan and design for the modernization, and to keep the general public informed.

2.0 DESCRIPTION OF PROBLEMS

2.1 Inadequate facilities and staffing - inadequate parity in health care. Presently, the IHS has ranked the Shiprock Hospital *second in priority* in terms of the need for facilities. Of the 47 IHS hospitals in the United-States, Shiprock ranks in the top five in several IHS workload statistics (#4 in Outpatient visits; #3 in birth and inpatient days; #5 in adult and pediatric inpatient days) despite having one of the oldest facilities. One of twelve of all Indian babies in the IHS system are delivered at the Shiprock Hospital. Last year, some 92,000 outpatient visits, an increase of 23% over previous years, were recorded. The Health and Human Service Department (DHHS) meanwhile, in its FY 1986 "Justification of Appropriation Estimates for Committee on Appropriations", estimates a 0.1% *decrease* in total IHS outpatient visitations.

The Shiprock Hospital, constructed in 1959, also is the third oldest facility of the ten busiest IHS hospitals. When the Anchorage facility is renovated, the Shiprock hospital will most likely rank second by IHS standards. The current hospital in Shiprock has far too little space to accomodate the largest regional Navajo population estimated at 36,125 Navajo people by the IHS Population Statistics Branch in 1984. The IHS projects the 1991 population to be at 41,932 Navajo people. The present 50 bed hospital was originally built as a 75 bed hospital. But due to chronic staff shortages, particularly in nursing areas, and from trying to conform to accreditation standards, the hospital now has reduced its capacity to 50 beds. Space is so critical that parts of the hospital's functions, Maternal Child Health Services, Mental Health, Emergency Medical Technicians, Veterans Administration Counselors, are housed in trailers. Primarily because of its inadequate facilities and staffing, the Shiprock Hospital is presently accredited as a 50-bed facility by the Joint Committee on Accreditation of Hospitals and the Medicare Standards established by the Health Care and Financing Administration.

Patients must sometimes sleep in the hallways without necessary privacy, exposed to disease or they must be transferred to other hospitals a great distance away from their families. Likewise, based on the size of the current facility, there is not enough physician and nursing positions to provide adequate acute care medicine, much less preventive medicine which is so desparately needed. Despite the incredible workload described above, the hospital lacks an authorized Intensive Care Unit.

Like other Americans, Navajos, residing on the Navajo Nation, are susceptible to common diseases such as cancer or atherosclerosis. However, because of inherited poor living conditions, Navajos are very susceptible to additional diseases like poor nutrition, dysentery, or tuberculosis. Demographers predict a continuing rapidly growing population. The next nearest IHS hospital is 100 miles away. There is no way this hospital can handle future projected workloads. Good health is essential to Navajo survival. A modernized hospital in Shiprock would have major positive impact on the future of the Navajo.

Ever since 1959 when the facility was constructed, we have known, as patients and clients of the hospital that it was not adequate enough. Clients have to wait at times three to four hours to see a doctor. The doctors themselves are overworked, given the large amounts of persons coming to the hospital. One doctor estimates that ten minutes per patient is all that he can afford, because he knows of the backlog of persons waiting to be seen. He knows of the three to four hour waiting period of the patients. Because of the bilingual (Navajo-English) nature of the area, most of the ten minute sessions is consumed merely translating from English to Navajo needed information.

2.2 Health & Human Services Department (DHHS) FY 1986 Budget Request poorly reflects Navajo health needs. In the FY 1986 "Justification of Appropriation Estimates for Committee on Appropriations", Volume X, Indian Health Service goals are "to elevate health of American Indian and Alaskan Native people to the highest possible level." The IHS goals are broken into three parts: a) High quality, comprehensive, accessible health services; b) Indian management of IHS programs; and c) Indian advocacy. The same document also indicates that the IHS has "three broad on-going areas of focus for strengthening the overall program." The areas of health service focus are a) prevention; b) management improvement; and c) self-determination (presumably PL 93-638, Indian Self-Determination Act) activities. *No FY 1986 funds are proposed for facility construction or quarters. The issue of parity is just now being discussed and documented after a century of neglect of Indian health care. Navajo health needs remain unmet. Shiprock areas' badly needed facilities planning or construction funds are non-existant.*

We, of the Shiprock Hospital Steering Committee, see several points of issue and contradiction in the DHHS' FY 1986 requests. We make the following comments as organized citizens of the Navajo Nation and the United States:

2.2.1 In FY 1986 by proposing to eliminate "Facilities Construction", DHHS apparently has no intention of living up to its commitment to provide the so-called quality and comprehensive health care service to Shiprock area residents.

2.2.2 While the IHS' three broad areas of concentration (prevention, management improvement, and self-determination) are commendable, they leave out two most important and critical elements in provision of health services: facilities and staffing.

2.2.3 The document in question also totally ignores the Shiprock area Navajo peoples' right to good health and quality health services. This is done simply by the proposed elimination of FY 1986 funding for facilities or quarters construction.

2.2.4 The same document declares that Indian health provision is *not* a federal entitlement (Page 29, paragraph 2) and that IHS is a discretionary program. We feel that such statements are not in line with the way Native Americans view federal-Indian relations. We feel that such statements are merely an excuse for the DHHS to ease itself out of any real qualitative and quantitative health care services.

3.0 RECOMMENDATIONS

3.1 That the present Shiprock IHS Hospital, presently ranked second in construction priority in the IHS, be modernized (renovated with added new facilities construction) to upgrade the quality care so direly needed in this community. As a first step in the process of recognizing the facilities construction needs of Shiprock, the SHSC recommends a $ 1.6 million allocation to IHS FY 1986 Facilities Construction appropriations by Congress to allow the Navajo Area IHS to plan and design the modernization.

The $1.6 million appropriations should be for planning for a functional 75-bed facility, capable of future expansion with minimum interruption of present hospital operations. The plan designs should be cognizant of Dine people (Navajo culture, healing practices, community), sound construction methods, the use of indigenous and dependable materials and equipment. The design should be flexible enough to adapt to technological innovations and modalities.

Emphasis should seek to provide an environment of health care that allows both inpatient and outpatient as well as preventative health care. Present facilities should be allowed to be used for hospital administration, health care delivery and other uses as well.

3.2 That the IHS and the Architect/Engineering firm(s) who will be contracted to design the new facility (with the $1.6 million we are asking for) consult with the local community in the design and planning of the facility.

3.3 That the US Congress uphold its treaty and other obligations to the Native American people and support a most basic item: that of proper and rightful health care for Native peoples. The present and proposed DHHS FY 1986 Budget request at best undermines Navajo rights and precepts to control of their destiny outlined in the 1975 Indian Self-Determination Act.

SINTE GLESKA COLLEGE
P.O. BOX 490
ROSEBUD SIOUX RESERVATION
ROSEBUD, SOUTH DAKOTA 57570
(605) [illegible] (605) 747-2264

CHARTERED BY THE ROSEBUD SIOUX TRIBE 1971

ACCREDITED BY
THE NORTH CENTRAL ASSOCIATION
OF COLLEGES AND SCHOOLS 1983

1985 APR 17 PM 4:06

April 11, 1985

Sen. Mark Andrews, Chairman
Senate Select Committee on Indian Affairs
SH-838 Hart Senate Office Building
Washington, DC 20510

Dear Senator Andrews:

The enclosed written testimony and historical synopsis serve to discuss and delineate some of the concerns of Sinte Gleska College in respect to FY'86 appropriations and other related budgetary and programmatic issues. We have also included a Sinte Gleska College catalog and Sinte Gleska College Student Handbook[1] for your reference purposes, both of which, further describe the various opportunities available to post-secondary students on the Rosebud Reservation.

Thank you.

Sincerely,

Lionel R. Bordeaux

Lionel R. Bordeaux

cc: Members, Senate Select Committee on
Indian Affairs

---

[1] The catalog and student handbook are retained in the files of the committee.

WRITTEN TESTIMONY

Submitted to the:

U.S. Senate Appropriations Sub-Committee on Interior and Related Agencies

1986 Fiscal Year Appropriations

Submitted on behalf of:
Sinte Gleska College
P.O. Box 490
Rosebud, South Dakota

Rodney Bordeaux, Chairman
SGC Board of Directors

and

Lionel R. Bordeaux
President

April 1985

1. INTRODUCTION

Sinte Gleska College is a Tribally-controlled higher education institution located on the Rosebud Sioux Indian Reservation in south central South Dakota. Chartered by the Rosebud Sioux Tribe in 1971, Sinte Gleska College provides post-secondary educational opportunities and services for reservation residents and residents of adjacent areas and over the past fourteen years has matriculated some 4,300 students. The College is named after Sinte Gleska (Chief Spotted Tail), who was a strong advocate for the education of his people, the Sicangu or Burnt Thigh band of the western Teton Sioux.

Since the offering of its first classes in February 1971, Sinte Gleska College has made significant strides toward the development and establishment of a viable and credible reservation-based, Tribally-controlled education model. Among many noteworthy achievements, the most significant accomplishment to date entails the institution's accreditation efforts. On February 1, 1983, Sinte Gleska College was approved and granted initial accreditation by the North Central Association of Colleges and Schools at the associate and baccalaureate degree granting levels. With this formal action, Sinte Gleska College became the first reservation-based, Tribally-controlled college in the country to be accredited at the bachelor or four year degree level and the second institution at the associate or two year degree level. The formal granting of accreditation by the North Central Association of Colleges and Schools provides substantial evidence that available resources have been successfully applied and utilized toward the objective of designing and delivering community-based education in a manner unprecedented in Tribal and American education.

More recently, Sinte Gleska College has initiated the necessary steps to gain certification of its teacher education program through the state of South Dakota. In seeking this important action, which is expected to be approved in June 1985, Sinte Gleska College will advance from a status of provisional to full certification and therein supply a long overdue recognition and sanction to our Education Department and our Elementary Education graduates who have completed their baccalaureate degree program requirements. As in the case of the aforementioned North Central Association accreditation, here too Sinte Gleska College shall become the first reservation-based Tribally-controlled college in the country to attain certification of its teacher education program.

In pursuit of such institutional accreditation and specific program certification, Sinte Gleska College has made other measurable achievements during its history. A total of 129 students have graduated since the awarding of the first two associate degrees in 1973. Sinte Gleska College has now granted 104 associate degrees and 25 baccalaureate degrees. In addition, seven secretarial certificates have been awareded to students completing the one year training program. The Adult Basic Education program has produced nearly 1,000 G.E.D. (high school equivalent diplomas) graduates. This statistic far exceeds the 100 graduates produced by the BIA during the ten years when it administered the program prior to Tribal contracting through Sinte Gleska College in 1972.

Of the associate degree graduates, 9 have subsequently earned a bachelors degree and 8 are presently employed at Sinte Gleska College. Of the baccalaureate degree graduates, all seventeen Elementary Education graduates are either teaching in local elementary schools, teaching in reservation-based or BIA elementary schools in states such as Kansas, Wyoming and Arizona or are engaged in graduate studies.

Furthermore, four Sinte Gleska College graduates, two of whom began by earning the associate degree, have now completed their respective graduate degrees in the fields of Special Education, Educational Administration and Law. Of these individuals, Mr. Sherman Marshall, who was the first baccalaureate recipient at Sinte Gleska College in 1980, graduated from the Unviersity of South Dakota School of Law in 1984 and became a member of the South Dakota State Bar in February of 1985. Mr. Marshall is currently serving as the Vice President for Academic Affairs at Sinte Gleska College. Of the other individuals, Ms. Eileen LaPointe, who has received her Masters degree in Special Education through the University of South Dakota, is in the process of securing certification as a secondary teacher and Ms. Phyllis Colombe and Ms. Mayda Bartlett, both of whom received their Masters degrees in Educational Administration from Penn State University, have returned to the Rosebud Reservation as elementary teachers in the local school systems. In addition, three Sinte Gleska College graduates are enrolled in graduate studies during the 1984-85 academic year, all at the Masters program level.

While Sinte Gleska College can boast of the remarkable success of its academic and G.E.D. programs, much work remains to ensure the continuation and flow of institutional management and delivery systems. Sinte Gleska College recognizes that it must continue the internal assessment of institutional operations. Central to this assessment is the identification and application of physical, human and, in particular, fiscal resources and how these resources relate to future institutional need in the upcoming year and beyond.

11. STATEMENT OF NEED

Like many other higher education institutions, Sinte Gleska College has assumed an increasingly conservative posture with respect to the development of annual operational budgets. Traditional funding sources, nearly all derived from a federal base, have been substantially reduced, eliminated or maintained at inproportionate levels vis a vis institutional need.

Given fiscal limitations, the Sinte Gleska College Board of Directors have enacted serious measures to accommodate budget constraints. Approximately thirty personnel positions have been retrenched since FY'81. Starting in the 1982-83 academic year, the majority of employment contract were reduced from 12 to 10 months. Fringe benefits have remained at 12%, compared with considerably higher percentages at other universities and colleges. Staff travel has been restricted to on-reservation instructiona activities only. And since FY'81, there have been virtually no budget provisions for the replacement of equipment, renovation of existing facilities or the expansion of current library holdings. In FY'84, as in previous years, summer school activities were scheduled at a minimum primarily so as to allow potential graduates to complete degree requirements. The ability to continue future summer school sessions is highly speculative.

The FY'85 Sinte Gleska College budget has maintained the moderate operational approach and status of the institution and, in essence, reflects only the College's realistic needs. The budget included no salary or cost of living increases, no additional personnel, no adjustments in terms of current travel, equipment and supplies and continued the ten month contracts for faculty and staff. Funds are provided through the Department of Interior and the Department of Education to comprise nearly the entire fiscal base for Sinte Gleska College.

Through the utilization and administration of two Tribal contracts by authority of P.L. 93-638, Sinte Gleska College receives BIA support funds for higher education operations, adult basic education and student financial aid scholarships. For next year, categorical grants from the Department of Education are anticipated to continue the Title VII Bilingual Education Program through 1985-86 and the Title III Institutional Aid Program and the Title IVB Special Services for Disadvantaged Students Program through 1986-87. Neither the Title III nor the Title VII Programs are predicted to be renewed thus creating a loss of about $450,000 to $500,000 within two years. Separate grant allocations should continue to be provided for student financial assistance in terms of the Pell Grant, Supplemental Educational Opportunity Grant and College Work Study Programs.

In terms of institutional tuition revenue, the current rate is established at $30.00 per credit hour and total collectible tuition revenue composes around 10% of institutional fiscal resources. The Sinte Gleska College Board of Directors took action prior to FY'83 to impose the College's first tuition hike from $16.50 to $30.00 per credit hour. The undergraduate tuition rate at State universities and colleges in South Dakota presently ranges between $30 to $35 per credit hour for resident students and $60 to $70 for non-resident students.

Funding provided by the Bureau of Indian Affairs via P.L. 98-192, the Tribally-Controlled Community College Assistance Act of 1978, as amended, represents the largest source of revenue, 40%, for the College. The current budget has been developed using a pro rate figure of $2,400 per Indian F.T.E., a decrease of $412 from the 1983 fiscal year. With the increased enrollments at the tribal colleges every year the amount available per F.T.E. has been proportionately reduced on an annual basis. Because Sinte Gleska College is operating with a minimal budget and because P.L. 98-192 funding is used mainly for instruction costs and operational expenses, any further reductions to this source of funds would be disastrous to the College.

111. P.L. 98-192 APPROPRIATIONS

P.L. 98-192, an act to amend and extend the Tribally-Controlled Community College Assistance Act of 1978 (P.L. 95-471), contains some features which, if properly implemented, will be beneficial to the funding and development of tribal colleges. The concept of forward funding, facilities construction and the establishment of endowments are vitally important to the future of Sinte Gleska College. Also important are appropriations that coincide with authorization levels and that recognize increasing institutional costs.

Forward funding, common for most educational institutions receiving public dollars, will establish appropriation levels for a two year period rather than the current one year method and will enable Sinte Gleska College to better plan the offering of its overall educational program.

The major advantage to Sinte Gleska College will be a knowledge of P.L. 98-192 fund availability and an enhanced management capability to define the need for additional institutional resources.

A major concern of Sinte Gleska College focuses on the level of appropriations authorized for eligible Tribally-controlled colleges. The problem since the enactment of the law has been that funding has never been appropriated at the authorized level $4,000 per F.T.I.E as legislatively authorized in P.L. 95-471. The pro rata amount has fluctuated between $2,400 and $3,100 but even this determination is not finalized and announced until after the Congressional appropriations process. To date, the pro rata amount has been dictated more by Congressional appropriations than by actual student enrollments within a given fiscal year. As a consequence, the level of funding allocations to institutions have been determined by total appropriations instead of remaining sensitive to actual F.T.I.E. numbers.

The solution to this problem and our recommendation is to establish P.L. 98-192 appropriations in accordance with those legislatively authorized pro rata amounts. This solution would furnish the necessary operational funding and be sensitive to student enrollments.

IV. TITLE III

Beginning in 1982-83, Sinte Gleska College opted to seek a five year grant through the Title III Institutional Aid Program and was ultimately determined eligible for the Special Needs Program. Due to expire after 1986-87, the Title III Institutional Aid Program has furnished certain benefits within key institutional areas however there are nonetheless a number of critical disadvantages which confront Sinte Gleska

College and all Indian colleges as Title III participants and potential participants.

Of foremost concern is the lack of time to develop and implement activity plans to an optimal degree in regard to annual endeavors and over the five year grant period. Stated differently, as a young and growing institution, Sinte Gleska College does not possess the fiscal resources and/or comprehensive management systems as other Title III colleges and universities, many of whom are greater than 100 years old. In light of these circumstances, activities, upon review by the Department of Education, have often been terminated before Sinte Gleska College is able to fully accomplish its stated objectives. And though the Title III Program is supposedly designated for developing institutions, Sinte Gleska College, a truly developing institution, is regularly penali~~sed~~ for not corresponding with the precise "developing" definitions and criteria set forth by the Department of Education. This same condition unfortunately also applies to the five year grant period wherein program eligibility will be terminated just as developmental activities begin to generate positive results.

Similarly, the relative size of Sinte Gleska College and other economic factors on the Rosebud Reservation has adversely affected institutional eligibility for the Title III Endowment Program. In this instance, Sinte Gleska College is unable to qualify for participation because of the small dollar amount of Pell Grant awards, both cumulatively and on a per student basis. Why? A low tuition rate, in conjunction with the absence of student dormitories, yields a low cost of education which translates into a small Pell Grant award. Hence, in assisting local students via an affordable tuition rate and reasonable cost of attendance, Sinte Gleska College is denied the opportunity to participate in a program intended to provide maximum benefits for developing institutions and which would indeed enable and facilitate institutional self-sufficiency.

In brief, Sinte Gleska College wishes to offer the following recommendations on behalf of all Tribal colleges as rationale for Title III reauthorization and any future program direction:

1. to allow institutions which are eligible for P.L. 98-192 to also be eligible for Title III. This provision doesn't guarantee funding but at least gives an apportunity to apply;
2. to consider a set-aside for Tribal colleges, all of whom are truly developing and truly minority. This provision would assist institutions which have historically received less Title III funding and which have increasing student enrollments;
3. to allow "graduated" institutions to renew and continue their progress toward self-sufficiency. This provision may be directed so as to continue specific activity areas, including the Title III Endowment Program.

V. STUDENT FINANCIAL ASSISTANCE

Any discussion centering around reductions in financial aid naturally illicits a strong response from our post-secondary students on the Rosebud Reservation but Sinte Gleska College is especially disturbed by the prospects of the proposed FY'86 cut-backs and their implications and impact on the neediest of students. In serving one of the ten poorest counties in the United States where the reservation-wide unemployment rate is about 80%, the possibility of financial aid reductions is unthinkable and unacceptable for Sinte Gleska College and its students.

In 1983-84 at Sinte Gleska College, the average Pell Grant award was $779 per student, the average Supplemental Educational Opportunity Grant was $368 per student, the average College Work Study award was $552 per student, the average Guaranteed Student Loan amount was $1,735 per student and the average BIA Higher Education Scholarship award was $1,038 per student. Based on these same year figures, 53% of the total Sinte Gleska College student population received Pell Grant funds, .03% received S.E.O.G. funds, .08% received College Work Study funds, 40% received Guaranteed Student Loan funds and 41% of the total Indian student population received BIA Higher Education Scholarship funds. Overall, 82% of the dependent Sinte Gleska College students who applied for federal financial aid in 1983-84 reported annual family incomes of less than $15,000 while 89% of the independent students reported annual family incomes of less than $10,000. Of course each student receives a final financial aid package calculated upon individual need, however these examples clearly illustrate the lack of personal income and the scarcity of financial assistance funds amongst Sinte Gleska College students.

Yet, perhaps more important is to view this matter in terms of how financial aid allows students to attend Sinte Gleska College and what the subsequent educational experience means to individuals on the Rosebud Reservation. Now in its fourteenth year, Sinte Gleska College still symbolizes a purposeful response to the unique needs of Indian students in their post-secondary pursuits and aspirations. Too often these needs were either misunderstood or neglected which in turn produced feelings of failure and alienation and general disillusionment with the entire higher education system. Conversely, as a reservation-based institution, Sinte Gleska College has sought to define and deliver an educational design that is sensitive to our students and which emphasizes personal growth through scholastic attainment. The end result has been a model which has provided an educational opportunity to some 3,500 Indian students, (and nearly 800 non-Indian students) since 1971; approximately 30% of the Indian population on the Rosebud Reservation.

Similarly,, Sinte Gleska College constitutes a logical approach to post-secondary education whereby students, most of whom are married adults or parents with family obligations, are able to remain in their home communities and realize their respective goals at an accredited institution offering both associate and baccalaureate degrees. Rather than matriculate at distant institutions, with a greater cost of education, a larger number of students, Indian and non-Indian alike, are choosing to initiate and complete their studies at an affordable, and at the same time, credible institution such as Sinte Gleska College. Evidence of the preceding statement can be found in the fact that during the 1985 Spring Semester Sinte Gleska College witnessed its largest ever enrollment, 536 students, up from the previous high of 470 and marking the third consecutive year of increased student enrollment.

Lastly, Sinte Gleska College represents a sense of optimism and positive direction for the future. Individuals, communities and other local agencies regularly look to Sinte Gleska College as the vehicle for improvement and progress and to ultimately make a substantive difference in the lives of the Lakota People. To be sure, this challenge is no easy task, especially in the tough economic context of the Rosebud Reservation, however, Sinte Gleska College has earned the respect of many supporters at the local, state and national levels and is confident it can act as a catalyst for change...if only our students are given the chance to succeed and we are given the chance to expand and reach our potential as a post-secondary institution.

VI. BIA HIGHER EDUCATION SCHOLARSHIPS

For the past seven years Sinte Gleska College has successfully administered, via a P.L. 93-638 contract, the BIA Higher Education Scholarship Program on behalf of our students in order to establish a direct and responsive service for those tribal members who choose to pursue their post-secondary education while remaining in their home communities on the Rosebud Reservation. Through this arrangement, Sinte Gleska College has historically received 25% (28% in FY'85) of the Rosebud Agency Higher Education Scholarship Program allocation and each year since 1977 has managed to fund as many students as possible and thus help defray at least a certain portion of their various educational expenses.

As estimated by the Sinte Gleska College Financial Aid Office, the average BIA Grant award over the seven year period has ranged between $1,000-$1,200 per student which typically serves to defray 60% of the financial need (after Pell Grant and student contribution) for each Rosebud Agency student. This 60% funding method allows Sinte Gleska College to fund a larger number of students but also translates in a larger individual financial hardship as each student receives less funds. The unfortunate result is a greater individual and cumulative financial need for Rosebud Agency students and frequently a situation where the tribal member does not receive any financial assistance monies.

At present, all eligible students, whether attending Sinte Gleska

College or an off-reservation institution, must compete for the same scholarship funds from the same Agency allocation. One idea that Sinte Gleska College would like to propose involves the separate allocation of BIA Higher Education Scholarship funds for Tribal members specifically attending Tribal colleges. This proposal would call for budgeting such funds for Tribal college students distinctly separate from the general Agency allocation. This proposal would also eliminate the direct competition for available funds between Tribal college students, students attending off-reservation institutions and other Tribal/BIA program areas, all of which derive monies from the same funding pool.

VII. SUMMARY

In sum, Sinte Gleska College would request Congressional consideration and support of the following recommendations relative to our institutional needs:

1. Restoration of Tribal Higher Education (P.L. 93-638) contract funds (i.e. Snyder Act allocations to tribally-controlled colleges) to the original level of $358,300 via appropriation supplement or "add-on" to the Agency budget;
2. Appropriation of P.L. 98-192 funds at the legislatively mandated levels for FY'86 and beyond;
3. Provide Title III set-aside for Tribal colleges and to allow "graduated" institutions to continue their progress toward self-sufficiency;
4. Opposition to proposed FY'86 reductions in student financial aid funds, especially as these cut-backs affect the neediest of students;
5. Establishment of a separate BIA Higher Education Scholarship allocation for Tribal members attending reservation-based Tribal colleges.

Your attention and consideration of these issues is urgently requested

Historical Synopsis Related to the
Contracting and Funding of
Reservation-Based Higher Education on the Rosebud Sioux Reservation via
P.L. 67-85: the Snyder Act of 1921
and
P.L. 93-638: the Indian Self-Determination and Education Assistance Act of 1975

Submitted By:
Sinte Gleska College
P.O. Box 490
Rosebud, South Dakota
57570

INTRODUCTION: INITIAL CONTRACTING AND FUNDING

Sinte Gleska College, like many other Tribally-controlled community colleges, began operations with virtually no financial resources. The College started with an initial budget of about $15,000 derived primarily from private foundation contributions.

In 1971, the College pursued the idea of contracting for funds from the BIA to provide higher education and adult education programs established within the Bureau. Former BIA Commissioner Louis Bruce responded enthusiastically to the concept of a reservation-based higher education program and initiated the legal research about the contracting idea. Once it was determined that contract funding was a viable option, the BIA provided both Sinte Gleska College and Oglala Sioux Community College (Pine Ridge, SD) with small operational grants. This action marked the first instance of the BIA's commitment to provide funding and resources for the community colleges. It also signified the acknowledgement of and established funding for the institution's basic operation costs.

With the initial funding allocation, the BIA extended a series of commitments to provide up to 75% of future institutional budget needs for the colleges. However, efforts by the schools to secure subsequent funds proved difficult. The reality of BIA funding allocations for Fiscal Years 1972 through 1980, although furnishing a limited fiscal base, produced far less monies to accommodate the operational support needs of the colleges. At one point in 1972, former Senator James Abourezk intervened on behalf of the community colleges and requested that the BIA maintain their original funding commitments.

The subsequent history of contract support funding provided for reservation-based higher education programs reflects numerous attempts by the BIA to, in fact, terminate support funding. Throughout its history, the BIA cited any number of philosophical and technical reasons for not funding higher education programs. One primary issue was BIA's contention that there was no specific legislation authorizing support funding of Indian community colleges. However, the BIA traditionally used P.L. 67-85, the Snyder Act of 1921 and P.L. 73-167, the Johnson O'Malley Act of 1934, as broad authorization for legislated but non-specific educational programs. The Snyder Act was eventually identified as the legislative authorization for the designation and utilization of federal monies provided to the community colleges.

These contract support or "Snyder Act funds" have largely been maintained since 1972 only after efforts were made by the College, the Tribe and Congressional representatives to exert pressure for the fulfillment of BIA funding commitments. The BIA continued its efforts of manipulating or circumventing federal regulations, departmental policies, and program budget processes (i.e. Tribal/BIA budget development) to thwart the effort by the Tribe to maintain these educational contract funds.

One substantial change in the allocation of support funds occurred in 1975 when former BIA Commissioner Morris Thompson recommend that the contract allocations be placed on the Tribal/BIA Agency budget as a separate or "banded" budget category. The result of Mr. Thompson's recommendation forced the College to seek necessary funds from general Tribal funding allocations. Consequently, Snyder Act monies became subject to the budgeting process as prescribed by the contracting provisions of P.L. 93-638, the Indian Self-Determination and Education Assistance Act. Implementation of the 638 contract process required the Rosebud Sioux Tribe to designate funds from its own funding pool and the College, in turn, negotiated direct contracts with the BIA. The latter authorization for contracting is derived from the Tribally-chartered status that the College possesses.

It is at this point that "Snyder Act" monies and 638 contract (higher education) monies have become snynonymous in reference to the College's educational contract funds. The transition of initial contract allocations via the Snyder Act to the 638 contract mechanism transferred the responsibility of budgeting, prioritizing, and subsequent funding for the community college to the Tribe.

PROBLEM - CONTRACT MONIES AND P.L. 95-471

Because of other critical Tribal needs, educational funding through the 638 contract process has provided the College with only a small percentage of necessary monies for basic operational support. Additional support dollars have been generated by tuition revenue and recovery of indirect costs from other federal grants. But the sum of these dollars have consistently fallen short of basic support needs. At best, the College's funding base has been supported by "soft monies" of federal education grants designated for specific educational uses and not for basic operating costs. With the growing fragmentation and instability of Tribal and federal funding sources, the College became aware of the critical need to establish a stable funding source which would provide basic operational monies.

Cognizant of this situation, the College joined other Tribally-controlled community colleges in a legislative effort to secure a stable funding source. After several years of diligent work with the executive and legislative branches of the federal government, the effort resulted in the passage of P.L. 95-471, the Tribally-controlled Community College Assistance Act of 1978. The major intent of the legislation was to provide eligible institutions with funding for basic operational support needs. Appropriations were to be determined based on a student enrollment formula of $4,000 per full-time Indian student. The BIA was given the responsibility of implementing and administering the Act.

Since the passage of this legislation, several unanticipated shortcomings have arisen. But the major problem in relationship to Sinte Gleska College focused on the safeguarding of Snyder Act support monies. When it became evident that Indian community colleges would be receiving 461 funds beginning in Fiscal Year 1980, the BIA Central Office of Financial Management made a unilateral decision to eliminate the Tribal budget category (#1365-Part A) which identified the higher education monies. However, the legislative provision of P.L. 95-471 (Sec. 108) specifically and explicitly allowed eligible institutions to receive both sources of funding. Two other schools - Oglala Lakota College and Turtle Mountain Community College (North Dakota) - utilized Snyder Act dollars and were also affected by this BIA action. This decision was executed without consulting or informing the Tribes, the colleges, or the local BIA Agency offices.

What the BIA accomplished was the illegal expropriation of Tribally-banded funds in direct violation of Congressional law (P.L. 95-471, Sec. 108). It was the contention of the BIA that the schools could not utilize both sources of funding for higher education purposes. Throughout FY'80, the colleges and the BIA waged a feverish correspondence battle on this issue. Sinte Gleska College formalized the FY'80 638 contract, as initiated by the local BIA Agency, only to discover that no dollars were attached. Both the BIA Agency and Area Offices disavowed any knowledge of the controversial decision. At one point, former BIA Agency Superintendent George Keller specifically requested a clarification on the matter by the Central Office. On February 4, 1980, the Rosebud Sioux Tribal Council passed RST #80-31, which called for corrective action. There was a continuous flow of assurances by the BIA Central Office administrators that the category and monies would be restored. No immediate action was evident at the time.

It wasn't until the latter portion of FY'80 (April, 1980) that the BIA yielding under Congressional intervention and pressure, finally researched the issue and determined that the Bureau's position would be modified. Correspondence by Deputy Assistant Secretary for Indian Affairs, Rick Lavis, Acting BIA Education Director Noah Allen, and Interior Under Secretary James Joseph clarified the discrepancy and indicated that action would be taken to restore the budget category and funds ($358,300). What actually evolved was the reversal of the BIA decision, the restoration of funds (from another budget category - Part D of the Central Office budget), but not the restoration of the budget category to the Tribal "band" budget. It wasn't until December 1980 that Acting BIA Education Director Gabe Paxton notified the schools that the category had been restored to the Tribal budget. In the transition, the title of the band category had been changed from "Higher Education" (not to be confused with "Scholarships") to "Tribally-controlled Community College."

Another significant change evolved prior to the beginning of

Fiscal Year 1981 (September 1980). The BIA informed the College that the FY'81 Higher Education allocation would be reduced by $200,000. According to the letter by Acting Deputy Assistant Secretary Philip Deloria, the BIA would provide only $158,000 which was to be considered as a supplement to monies already available in the Tribal budget. There was speculation that no funds above the reduced level were restored to the tentative FY'81 Tribal budget. This was confirmed with subsequent "Advice of Allotments" documents reflecting a reduced level of funding at $136,500. During the funding restoration process, the Rosebud Sioux Tribe and its tribal college incurred a loss of in excess of $200,000 in higher education contract funds.

By the conclusion of FY'81, the necessary corrective measures were taken by the BIA to restore the Tribal budget category and a reduced level of funding for the higher education program. The level of funding allocations for each subsequent fiscal year has remained at $136,500.

PROBLEM - ZERO BASE BUDGETING FOR FISCAL YEAR 1983 and 1984

The problem of safeguarding the higher education contract support funds continued to persist in the determinations of subsequent fiscal appropriations. This issue emerged again in the development of the FY'83 and FY'84 Tribal/BIA Agency budgets.

Briefly, the local BIA Agency and Tribal budgets for a given fiscal year are developed and finalized approximately 18 months in advance through a mechanism referred to as "Zero Base Budgeting." Given a base level funding, which is generally the previous fiscal year's funding level, budget allocations are determined and prioritized (ranked) for each Tribal and local BIA program. There are several Tribal contract programs listed as budget categories including SGC Higher Education and Adult Basic Education programs.

The Bureau has traditionally initiated ZBB activities around each December. Ideally, this should be an ongoing process throughout the year. The process involves representatives of the Tribe and the BIA, who theoretically coordinate as a "ZBB committee" in reviewing, budgeting, and prioritizing proposed budget allocations for Tribal and BIA programs. Once allocations and program rankings are established, this information is forwarded to the Tribal Council for concurrence and approval. The final proposed budget is then submitted to the BIA Area Office, Central Office, and ultimately through federal channels to the U.S. Office of Budget and Management for inclusion in the President's appropriations request to Congress.

The reality of Tribal involvement in the local budget process has at best been marginal, primarily due to the initiatives and actions assumed by the BIA. While the BIA has made efforts to solicit Tribal input in the budget formulation process, the Tribe has discovered that actual budget determinations and subsequent allocations are dictated by the BIA. Such has been the case of budget development activities for the FY'83 and FY'84 Tribal/BIA Agency fiscal appropriations.

During the spring of 1981 and 1982, the Rosebud Sioux Tribal Council became aware that the BIA Rosebud Agency had developed and submitted the FY'83 and FY'84 budgets without the desired Tribal participation and concurrence. Among many concerns was that the BIA had arbitrarily eliminated funding in each budget for the higher education (i.e. Snyder Act monies) and adult education contract programs.

In each instance of budget developments, the BIA contended that internally-imposed deadlines within the Bureau system negated ideal Tribal involvement (i.e. Tribal Council approval). Both FY'83 and FY'84 budgets were submitted to the BIA Area Office with a commentary about the lack of Tribal participation in the final decision to approve the proposed budgets. Needless to say, the Tribal Council has taken great exception to the apparent circumvention of Tribal authority and insensitivity of Tribal program needs as demonstrated by the BIA.

The Tribal Council initiated repeated efforts to address this continuing problem. Resolutions have been passed by formal Council action to reprimand the BIA and to recall the proposed budgets as prepared and submitted without Council approval. For each budget, the Tribe has submitted its own budget proposals, revised to include the restoration of education contract monies. The last formal action taken by the Tribal Council, on June 17, 1982, reiterated the request that the BIA take all corrective measures in conformity to Tribal need. The resolution also directed that the Tribe and BIA seek additional appropriations for the higher education contract program with the intent to restore the contract funds at previous levels. The consistent response by the local BIA Agency has been that the budget problems were out of their administrative control and that resolution of these issues were subject to Central Office action.

CURRENT STATUS

Five years later, the BIA still refuses to restore the Snyder Act funds to the original level of $358,300, the amount which was arbitrarily eliminated, then reduced and which constitutes a true annual fiscal need for Sinte Gleska College. In light of this $220,000 budgetary decrease, Sinte Gleska College suffered an immediate loss of eight (8) instructional/staff positions plus a loss of approximately

$100,000 in basic operating support monies as designated for the development and operation of critical academic programs on the Rosebud Reservation. These positions and funds have not been recovered via alternative funding sources. Instead, personnel and curricula remain retrenched; all to the detriment of our students and their various scholastic goals and career pursuits.

In the meantime, the total fiscal appropriation for the Rosebud Sioux Tribe, through which Sinte Gleska receives its educational program funds, continues to be reduced each year. In turn, there are less funds available for allocation for Tribal program purposes, including Sinte Gleska College, which most recently in FY'84 received only $123,000 per its Higher Education contract.

To date, the BIA has not taken any action to address or resolve this problem. As such, Sinte Gleska College wishes to again reiterate its view that the restoration of Snyder Act monies to the $358,300 funding level is the requisite solution for maintaining the delivery of quality post-secondary programs, services and opportunities on behalf of the Rosebud Sioux Tribe and the Lakota People. In failing to execute this particular corrective measure and other simple support measures, the BIA regularly substantiates the sentiment that it is indeed an opponent of reservation-based higher education and is clearly attempting to dissolve institutions like Sinte Gleska College.

Prepared
Testimony of Allen White Lightning
- Standing Rock Sioux Tribe
before the
Senate Select Committee on Indian Affairs
Oversight on FY 1986 Budget for
Indian Programs

February 27, 1985

Mr. Chairman and members of the Committee, I am Allen White Lightning, a member of the Standing Rock Sioux Tribal Council and Chairman of the Health, Education and Welfare Committee of the Council. We appreciate the opportunity to present testimony on the Administration's proposed budget for Indian programs.

Mr. Chairman, we at Standing Rock know that you are aware of conditions on our Reservation. You have supported our efforts to improve conditions for our people through economic development, education, housing and other areas. But you are also aware that a great deal more needs to be done.

Apparently, the budget cutters in the Administration do not understand Standing Rock, or reservations in general. Instead of providing adequate funds for Indian programs, the Administration budget asks Standing Rock and other Tribes to absorb additional cuts. This is unfair, and shortsighted.

The Government owes special responsibilities to Indian tribes, as promised by treaty. In seeking to cut Indian programs, the Administration is saying to us that these promises are not important--that the Government will breach its responsibilities to Indians when it chooses.

Even in strictly economic terms, cutting Indian programs is a mistake. Tribes are making progress in many areas. But if sufficient funds are not provided to enable this progress to continue, the result will be far greater costs to the federal government in the long run. For example, we believe that the federal investment in Indian education will more than pay for itself in terms of the future employment of our Indian children. Cutting Indian education now will lead to more welfare costs when this generation grows to adulthood. It is a false economy to cut Indian programs as the Administration proposes.

We urge the Committee to seek to restore a measure of fairness to the budget on behalf of Indian people. We highlight just a few of the most crucial areas to Standing Rock in this testimony.

BIA Programs

1. Standing Rock Irrigation Project.

The Tribe is proud of its progress in irrigation development. Our first irrigation project--Phase I or the Fort Yates Unit--became operational in 1983. This is a 900 acre project which we operate on a computerized basis. Phase II--the Eagle Unit--will be our first irrigation project ever on the South Dakota portion of our Reservation.

The Eagle Unit--as originally studied by Stetson Engineers--contains two adjacent sites on the Grand River, totalling 1,464 acres. Congress appropriated $1.8 million in FY 85 for this project. This should enable us to implement Site 1 of the project --including some additional acreage by using cornering techniques. However, the $1.8 million does not enable us to complete the Eagle Unit, since we do not have funds for the additional 252 acres designated as Site 2.

The preliminary estimate by Stetson was that Site 2 would cost an additional $214,000. Additional work by the project engineer suggests that intake structure will cost more than originally estimated--and that the better estimate is that Site 2 will cost $275,000.

The Administration budget provides no funds for new irrigation construction. This would leave Standing Rock with a partially completed Eagle Unit, even though both the BIA and Congress have endorsed this project. It is a good investment to provide funding to complete the project, which would operate much more efficiently than the partial project. We urge the Committee to continue to support Standing Rock's efforts to move forward with irrigation development.

2. Construction.

The Administration calls for no new BIA construction starts of any kind--needed irrigation, housing, school buildings all would not be built. We have unmet needs at Standing Rock which must be alleviated.

The BIA elementary school in Bullhead is now undergoing renovation. Bullhead is one of our more isolated Indian communities, and the school facility is old. The first phase renovation has now been completed. But the second phase--construction of a $1 million facility for use as a library, kitchen and gymnasium--needs to be funded. The Tribe waited many years for this project to modernize and expand this facility. Now, with the project partly done, the Administration would have us wait again. Our Indian students in Bullhead deserve better.

In Fort Yates, we need dormitories to replace the ones demolished in 1980. Children come from all parts of the Reservation to school in Fort Yates. For many, this is a great distance. So many children are forced to wait in the dark for the bus on winter mornings to arrive in time in Fort Yates. There is a need for a dormitory to house 100 students. In addition, we need housing for school staff in Fort Yates, to enable us to attract high quality teachers. The dire housing shortage is hurting the education of our children.

We also face unexpected problems regarding two of our newer schools--the Fort Yates High School and the Little Eagle Day School. Both are quite new, but both are rapidly deteriorating. For example, large chunks of concrete have already fallen from the roofs. A series of potentially dangerous problems has been identified and documented. We need renovation funds to ensure the safety of our students.

3. Law enforcement.

Standing Rock is a Reservation of 2.3 million acres. In 1983, law enforcement faced 42,551 calls for assistance, travelled 422,210 miles and made 2,925 arrests. There were an average of 31 prisoners per day. Funding for law enforcement to face these needs is far from sufficient to cover our Reservation.

We currently have a single law enforcement officer stationed in each of six Reservation communities. These individuals must deal with every emergency, every incident, every call. They are the only law enforcement presence and they are on call all the time. Most work long hours of overtime, under great stress. Not surprisingly, turnover is high. We desparately need an additional officer stationed in each of these communities to relieve some of this pressure. Then we could move from a system which only responds to emergencies to a system of preventative measures of law enforcement.

We are not adequately staffed for detention guards and other personnel to deal with our prison population. Our operating expenses are also inadequate. In addition, our caseload on juvenile problems has risen drastically in recent years. No additional funds have been made available to deal with this important problem.

Local BIA officials most familiar with our needs estimate that based on these needs an additional $850,000 should be available at Standing Rock. This is not a request for anything fancy--just sufficient funds to provide moderately adequate law enforcement coverage of the Reservation. An effective and trusted law enforcement presence could upgrade the quality of life in our communities.

4. Land acquisition.

Nothing is more important to the Standing Rock Sioux Tribe than its land base, the Reservation homeland for its people. Standing Rock--like many other tribes--has for years attempted to restore its land base by reacquiring lands. Today, there remains a great deal of land--including fee land--available for sale at Standing Rock. But adequate funds for the Tribe to purchase this land are not available. The Administration has requested no money for tribal land acquisition. In fact, the Administration has proposed elimination of the Farmers Home Administration program to loan funds to tribes for land purchase. This program has been used effectively by Standing Rock over the years, and is a program we strongly support today. Instead of cutting these programs, additional funds should be made available to assist tribes in their efforts to reacquire lands--especially fee lands--to restore the tribal land base. The authorization exists in the IRA and other laws--but money is never made available. We urge the Committee to seek major funding for tribal land purchase.

5. Indirect costs.

We object to the way in which the BIA clouded its recommendations on the FY 1986 budget by lumping indirect costs with program costs. The BIA should not try to cover up its budget cuts, it should clearly tell the tribes, and Congress, exactly what it is proposing. This misleading use of figures by the BIA suggests what we believe to be so--that the BIA budget cuts can not be supported on the merits.

Indian Health Service

1. Alcoholism and drug abuse.

The Standing Rock Sioux Tribe like other tribes, faces massive problems regarding alcoholism and drug abuse. The problem affects all ages--from adolescents to the elderly. Virtually every family is affected in some major way. The budget calls for $24 million for those programs. This is grossly inadequate. Much more is needed.

At Standing Rock we used to have an in-patient facility for treatment of alcoholics. In 1981 this had to be closed because of budget cutbacks. Now, we have no in-patient facility at all. Alcoholics are often placed in jail temporarily or sent off the Reservation to State facilities which do not understand Indian problems. These are our only choices because we lack an adequate site for placement and effective treatment. We need an in-patient facility to deal with our people. We also need an aggressive outreach program. Finally, we need an expanded education program for our schools, to teach youngsters before these problems begin.

Alcoholism is a devastating disease. We must do all we can to prevent it, and to provide effective treatment of those afflicted. The sad fact is we lack the money to do either. The way in which many Indians with alcoholism are treated remains a national disgrace.

2. CHR Program.

Again, the Administration proposes an end to the CHR program. CHRs provide the first line of medical care on the Reservation. They provide emergency services in the communities and provide a vital communications link between our people and the medical staff in the clinics. They are known and trusted by our traditional people, many of whom are wary of other health care personnel. Without CHRs many of our people would literally never receive modern health care. If anything, the program needs expansion. We now have a single CHR serving our communities, where we used to have two CHRs in each community. We urge the Committee to preserve this vital program.

3. Sanitation facilities.

Funding for decent sanitation facilities has been a chronic problem at Standing Rock. This is not addressed by the Administration's budget.

In the early 1960's, the IHS began to construct domestic water and sanitation facilities at Standing Rock, under Public Law 86-121. Without consultation with the Tribe, the system was installed. Then IHS demanded that the Tribe take over and run the system, without so much as providing the Tribe with a blueprint to locate the pipelines.

For years, when problems arose in the system--which has been often--IHS and BIA have both told the Tribe to go elsewhere for funds. The simple fact is, the government built these poor systems, and then foisted them on the tribes without funds to keep them operating properly.

Over the years, the situation has deteriorated. Our communities often suffer without water and sanitation facilities for days at a time, sometimes to the point of causing serious health threats. These old, broken down systems must be replaced with modern water and sanitation facilities. Also systems must be expanded to meet existing population demands. This time, the job must be done right. We urge the Committee to support funds for this purpose--both to install the necessary facilities, and to ensure that they are properly maintained. The IHS estimates we need $1.4 million for this--with work needed in virtually every community on our Reservation--but they state they are not authorized to supply the funds to do this work.

4. Diabetes.

This disease is the third leading cause of death nationally--and it seems no one in Indian country knows what diabetes is about. We need an educational system for the early years to teach our children that diabetes is hereditary, but that controlling weight is important as a child grows into adulthood. This disease affects many of our people and should not be ignored.

Housing

There remains a dire housing shortage at Standing Rock. We have long waiting lists--up to two years in some of our communities--for families to receive public housing. Many of our people, frustrated with waiting, live long periods in overcrowded or substandard conditions. We need an estimated 200 units of housing to fulfill this need. In addition, our existing housing stock needs extensive restoration. Many of these homes were built years ago when the HUD program first began to build on reservations. About half of these homes need repairs to be up to standard.

Despite our massive need, the Administration is proposing to eliminate new HUD housing construction for Indian reservations. We urge the Committee to resist this and to support funding for Indian housing programs--both BIA and HUD--to provide a decent place to live for our people.

Revenue Sharing

We would like to bring to the Committee's attention one more serious concern we have on the Administration's budget. The Administration is proposing elimination of the revenue sharing program. This is a prime example of the budget being out of touch with the situation in Indian country.

The Administration says that it has a large debt, but that many state and local governments have a surplus. The economic recovery, according to the Administration, has left these governments in a better position to meet their own needs, without federal assistance. Therefore, the Administration proposes to end the revenue sharing programs. This has created much controversy among state and local government officials. But the Administration's position simply ignores the needs of Indian tribes, which are also recipients of revenue sharing funds.

Tribes do not have the kind of revenue base which state and local governments have. And the "economic recovery" has had little effect on Standing Rock, or other reservations, where the private sector economy is so weak. Alaska or California may have huge surpluses of public funds, but Standing Rock does not. What Standing Rock does have is a huge surplus of unmet human needs. Revenue sharing has helped meet a small part of that need.

At Standing Rock, revenue sharing has been used as our tribal safety net--to bolster much needed programs which are not adequately funded. For example, we use revenue sharing to supplement our nutrition for the elderly program--including providing a "meals on wheels" program for our elderly who cannot come to a central location where meals are provided. Without revenue sharing many of our elderly tribal members in the districts would literally go hungry. We also use our revenue sharing funds to provide funds for alcohol and drug abuse programs for our children, and special services for handicapped children. Revenue sharing provides funds which we use for those in the greatest need.

There is no way to replace these programs if revenue sharing is cut. In fact, there is an increasing need for revenue sharing for tribes as other program areas are continually cut. The special needs of Standing Rock should not be swept aside because California has a budget surplus. Our needs must be met, and revenue sharing is one important source. We urge you to seek to restore revenue sharing for the tribes.

Respectfully submitted,

Allen Whitelightning

Allen White Lightning
Standing Rock Sioux Tribe

UNITED SIOUX TRIBES
OF SOUTH DAKOTA
Development Corporation
P.O. Box 1193, Pierre, S.D. 57501

Personnel Management	224-8861
Employment Program	224-8862
Employment Program	224-8863
Land Management	224-8860
Business Office	224-8864
CETA	224-8865

- Standing Rock
- Lower Brule
- Devils Lake
- Flandreau
- Rosebud
- Santee
- Crow Creek
- Pine Ridge
- Cheyenne
- Sisseton
- Yankton

Field Offices

Aberdeen	225-9513
Rapid City	343-1100
Sioux Falls	339-0248

SENATE SELECT COMMITTEE ON INDIAN AFFAIRS

Presented By:

UNITED SIOUX TRIBES OF SOUTH DAKOTA DEVELOPMENT CORPORATION
Pierre, S.D.

I, Clarence Skye, and Sheryl Scott would like to present this testimony before the Senate Select Committee on Indian Affairs.

The United Sioux Tribes of South Dakota Development Corporation is a non-profit, public service organization with eleven (11) Sioux Tribes on the Board of Directors from North Dakota, South Dakota and Nebraska for the purpose of serving Indian people.

The United Sioux Tribes of South Dakota Development Corporation provides services to Indian people out of four (4) field offices throughout the state. Central Office is in Pierre and three (3) field offices are in Rapid City, Sioux Falls and Aberdeen. Currently, at the budget level we are operating, the Direct Employment Program employs two (2) Job Developers and one (1) Placement Specialist. We have placed Job Developers in those towns with the largest concentration of Indian people, Rapid City and Aberdeen.

The Direct Employment Program has both initiated and accomplished a number of activities in it's effort to provide services to Indian people. This program has been successfully implemented since 1971, providing a total of 31,987 Indian clients with opportunities for placement, as well as extending assistance in their adjustment into the communities of their choice. From 1971 through September 30, 1984, 1,778 clients have been placed with cost, and 1,920 without cost to the agency.

The program provides job development, job placement and community adjustment services to Indian people in four (4) cities in South Dakota that Indian people usually choose to reside. Unemployment on the reservations ranges from 40% to 90%. Seeking employment off the reservation is sometimes the only alternative. The Direct Employment Program is the bridge between leaving the reservation and settling in an off-reservation community.

The Direct Employment Program has continuously, over the years, shared the cost of operating our field offices with other programs to enable our funds to go farther and serve more people. The number of people served is in direct correlation to amount of funding.

In fiscal year 1984, our offices averaged 1,041 calls a month and 286 clients dropping in for assistance on a statewide basis. In 1984, there was a decrease of 25% in subsistence funds compared to 1983, due to funding cuts, but our drop-in load increased by 49% in FY'84. The average cost per client decreased 12% due to a coordinated effort with agency people to fund on an as needed basis, which in turn allowed more Indian people to be funded.

Our staff not only utilized available local and state resources to meet the needs of our clients, but we have searched for and received outside funding to supplement our program and provide emergency services to those clients whose reservations aren't able to provide assistance. We received $2,000 in FY'84 and assisted thirty one (31) people. We submitted a new application for additional funding and are awaiting notification.

In South Dakota, we have a very young population, younger than the national average age for Indian people. 63% of the Indian population is 24 years old and under. 70% is 29 years old and under. These figures have a major impact on services needed by the Indian population in South Dakota. We are seeing a need for more vocational and educational training which tribes are attempting to meet through available resources, but even those resources are limited. The reality the United Sioux Tribes of South Dakota Development Corporation faces in providing services is a young population seeking employment with little training and experience in the occupations that are in demand. Services for these people are as necessary today as they were 15 years ago when this contract first began. Efficient delivery of services must also be a priority.

A major project within the Direct Employment Program was initiated in FY'84, to address the broader issue of discrimination that has impacted our efficient delivery of services to Indian people. Approaching this problem from an educational standpoint and not stressing litigation (which in some cases is not only not practical, but not a choice due to financial restraints) is a positive approach to a very sensitive and emotional subject. Since the effort began early in 1984, we have two different groups approaching the problem on a federal agency level and on a statewide basis within South Dakota. The federal agencies (12) on the regional level are moving through a three phase approach ready to begin Phase III which is the actual implementation of Community Relations educational programs in South Dakota.

Another effort of FY'84 was to raise the funding level of the contract to allow the search and selection of qualified Indian persons, who have not only the skills and knowledge to provide quality services, but a deep committment to helping Indian people. At the end of fiscal year 1984 (September 28), we received a call from the B.I.A. Aberdeen Area Office Director, Jerry Jaeger. We were notified that due to the B.I.A. Area Office's problem in not funding U.T.E.T.C. at 100% as a line item in 1984, our contract for services would be pulled in 1985 and the funds used to bring U.T.E.T.C. to the 100% level for '84. Needless to say, the timing of the notification when allottments had been made in March of 1984, almost shut down the contract. We've had a continuous battle to receive even a minimal amount to keep staff and continue services this fiscal year.

We have been very supportive of U.T.E.T.C.'s efforts as we see the need for vocational training. Our contract complements U.T.E.T.C.'s in that we place a number of their students in South Dakota, and assist their staff in every way possible.

Striving to meet the needs of Indian people in South Dakota is a difficult battle to begin with, but complicating and attempting to stifle our efforts through budget errors and problems creates an unnecessary stumbling block. Therefore, we respectfully request that this committee place our funding for the Direct Employment Program as a line item in FY'86 budget at $250,000.

Further, to allow continuity and efficiency in the provision of necessary services we also request that your committee place as a line item, the following amounts for FY'87 and FY'88.

FY'87 - $250,000
FY'88 - $250,000

In conclusion, this program has, and will continue to, provide needed employment services if adequately funded. We strive to meet the needs of the Indian people in many ways and will continue to do so.

DIRECT EMPLOYMENT PROGRAM STAFF

Direct Employment Program Administrator, Pierre - Sheryl Scott (Lower Brule Sioux); Masters in Counseling.

Placement Specialist, Pierre - Rondell LeBeau (Cheyenne River Sioux); Bachelors in Community Service.

Job Developer, Rapid City - Donovin Sprague (Cheyenne River Sioux); Masters in Public Administration.

Job Developer, Aberdeen - Iris Halsey (Standing Rock Sioux); working on her Masters in Counseling.

Secretary, Pierre - Jo Anne Rostyne-Halbur.

UNITED SIOUX TRIBES
OF SOUTH DAKOTA
Development Corporation
P.O. Box 1193, Pierre, S.D. 57501

Executive Director	224-2294
Personnel Management	224-8861
Employment Program	224-8862
Employment Program	224-8863
Land Management	224-8860
Business Office	224-8864
CETA	224-8865

- Standing Rock
- Lower Brule
- Devils Lake
- Flandreau
- Rosebud
- Santee
- Crow Creek
- Pine Ridge
- Cheyenne
- Sisseton
- Yankton

Field Offices

Aberdeen	225-9513
Rapid City	343-1100
Sioux Falls	339-0248

SENATE SELECT COMMITTEE ON INDIAN AFFAIRS

Presented By:

UNITED SIOUX TRIBES DEVELOPMENT CORPORATION

Pierre, S.D.

Chairmen and Senators, I am Clarence W. Skye, Executive Director of the United Sioux Tribes speaking on behalf of the Chairmen of the 11 Sioux Tribes of North Dakota, South Dakota and Nebraska. We number approximately 47,000 and occupy nearly 6 million acres of land in the three states mentioned. Some general conditions exist throughout the Sioux Country including; unemployment; more than 5 times the national average, average income; far below the national average, yearly dependency on federal programs, little or no private sector economy and no evidence of economic recovery.

The 6 million acres of land have no proven mineral reserves and are primarily used for livestock grazing with a limited amount of dry farming. The Development of the land base is our best avenue for economic development since private investors are reluctant to build businesses, factories or other job creating enterprises on the reservation.

The principal assets we have are land and water. Recurring drouth conditions in the northern great plains makes dry land farming a hazardous business, particularly so in the depressed agriculture of today. Irrigation on the most productive land would greatly increase the stability of Indian agriculture, income and create a new and different agri-business climate for employment.

I wish to emphasize that what I am saying is not new or different from what tribal leaders have been saying for at least the past 40 years and probably longer.

To put things in perspective I would like to briefly state some historical facts that have caused concern, confusion and dissenchantment with the government system as it relates to helping Indians help themselves.

In 1944, forty years ago, Congress enacted the Flood Control Act aimed at controlling and developing the Missouri River Basin. Leading up to the Act the Bureau of Reclamation and Corps of Engineers conducted extensive and intensive studies throughout the basin including the reservations.

The stated objectives of the Act was to control flooding, power generation and development of irrigation. It is a fact that 16 small irrigation projects were authorized by Congress in the Act, specifically for Indians, to be built by the Bureau of Reclamation. It never happened. The tribes have had some success in recent years getting funding through the Economic Development administration and recently the Bureau of Indian Affairs for small projects.

Projects Authorized in 1944 Flood Control Act

South Dakota

Name	Acres
LaRoche	2,720
Joe Creek	6,560
Red Cloud	1,850
Culdesac	5,660
Big Bend (Grass Rope)	8,520
Fort Thompson	7,710
Fort Hale	2,100
Fort Randall	900
Greenwood	4,210
Tower	2,130
Iron Nation	1,900
Little White	5,200
Green Grass	4,200

North Dakota

Old Agency #1	6,510
Old Agency #2	2,700
Cannon Ball	4,800

There were other projects in various planning stages not included as specific projects in the Act.

The United States Government, through the Bureau of Reclamation and Army Corps of Engineers made many promises of economic benefits to tribes in exchange for over 200,000 acres of prime Indian land to construct major dams and store water.

In addition they promised to replace hospitals, schools and other community improvements destroyed or submerged by the impoundments behind the dams.

It has now been forty years since the Act was passed and very, very little economic benefit has accrued to the tribes and none of the major community buildings replaced.

Throughout the west we have witnessed an ever increasing demand for water and a subsequent fight for water rights. We have been caught-up in the legal battles and are deeply concerned that tribal water rights are in jeopardy as the western water shortage escalates. It is our contention that we should be given the opportunity to use the water through the development of projects, already documented and some yet to be studied, for the economic benefit of our people. We do not feel our water rights are limited to irrigation but contend this is a logical place to start economic development. We have good irrigable land and an uncontested right to the use of the water crossing over or bordering on the reservation.

Since the United States Government looks to the Bureau of Reclamation for expertise and development of irrigation projects their time and energy is consumed by non-Indian interests. The Bureau of Indian Affairs is limited to operating and maintaining existing irrigation projects, many developed 50 years ago, none in our country, and have neither the expertise or funding to assist us in our efforts.

We do not need "paper water rights" we do need real economic development through the development of our valuable land and water resources.

The Presidential Commission on Indian Reservation Economies filed a report with the President of the United States in November of 1984 devoting a section to using the water resource in developing the reservation. Well intended studies and reports are worthless without funding to provide the necessary follow-up effort to make them a reality. It is ludicrous to expect that an impoverished people, without expertise, can bring about economic development in the use of their land and water resource without financial assistance.

To continue on the subject of the Presidential Commission on Indian Reservation Economies it was pointed out that business development on reservations is thwarted without capital formation. "One of the major obstacles to Indian economic development is "access" to sources of capital by Indian individuals, Indian businesses and Indian tribes." The report makes specific recommendations on private ownership of tribal enterprise, securities regulation, Indian tax status, trust fund investment, Indian venture capital, Indian Finance Act and Indian Loan Guarantee Fund. Specific recommendations were made in each area and tribes are now studying this report in its entirety. The Indian Finance Act and Indian Loan Guarantee Fund have not made an impact on development of businesses because of insufficient funds and bureaucratic administration problems. We strongly support these programs as a means of bringing about capital formation on the reservations. Admittedly they need to be administered to encourage corporate financing and operation of business enterprises on and near the reservations and the Loan Guarantee Fund needs to be amended to provide bonding guarantee for Indian businesses and enterprises.

It is imperative that sufficient funding be appropriated in both the direct loan and Guarantee Loan Fund to make an impact on the capital needs.

The problems we have had in past economic grants and business enterprises involving outside individuals or corporations is that they bring no equity or investment to the business effort. The Government or Tribe have provided the facilities, capital and training programs in the past and when business difficulties arise the private entrepreneur walks away, money ahead. The tribes are left with a bad reputation and a stigma on their business ability and often integrity. These problems can be overcome by properly structuring the corporations to involve the Indian leadership, business men or private entrepreneur. To quote from the commission report "There are many deficiences in the operation and implementation of the Indian Finance Act. Management and technical assistance as provided for the Act were not being adequately furnished by the Bureau of Indian Affairs." The problem deals with inconsistent interpretation of guidelines and policies by the Bureau of Indian Affairs. The commission report is extremely critical of the poor operations and lack of expertise to administer the operation and we agree.

UPPER SKAGIT INDIAN TRIBE
2284 Community Plaza • Sedro Woolley, Washington 98284
Phone (206) 856-5501
SCAN [illegible]-3172

APR 24 PM 2 2

April 15, 1985

Honorable Mark Andrews
Chairman
Select Committee on Indian Affairs
United States Senate
Washington, D.C. 20510

Dear Senator Andrews:

The Upper Skagit Indian Tribe respectfully requests that the enclosed copy of a letter to Mr. Ralph Gonzales be included in any record of your Committee's consideration of public comment on Fiscal Year 1986 appropriations for tribal court systems.

Thank you for your assistance.

Sincerely,

Floyd Williams

Floyd Williams
Chairman

UPPER SKAGIT INDIAN TRIBE
2284 Community Plaza • Sedro Woolley, Washington 98284
Phone (206) 856-5501 SCAN 578-3172

April 15, 1985

Mr. Ralph Gonzales
Court Improvement Plan
Code 440
Branch of Judicial Services
Department of Interior
Bureau of Indian Affairs
Washington, D.C. 20245

Dear Mr. Gonzales:

By your letter dated January 17, 1985, received January 30, 1985, you requested that the Upper Skagit Tribe complete and submit its BIA Court Improvement Plan by February 28, 1985. Because of the late date we received the Court Plan document from the BIA, we were not able to complete the plan by February 28. To have tried to develop a court plan in such haste would have been contrary to our long-standing efforts to plan and develop our tribal justice system in a careful and conscientious manner. We are still in the process of identifying priorities for the Court Plan, and are seeking input from the community, all of our judges and other staff who work with the tribal court. When that process is complete the final plan will be submitted to your office.

We are aware of your urgent need for these tribal court plans as justification for providing information to Congress on the federal funding needs of tribal courts. As a result, we want you to know that the funding needs for our court are critical. The court now operates on a budget of only $15,000 per year, plus limited in kind judge and prosecutor services from the Northwest Intertribal Court System (NICS).

While our court only began handling reservation law and order cases within the last two years, the caseload has increased dramatically. Because of the limited services from NICS, we must periodically utilize two tribal members as volunteer associate judges to hear cases, taking away from their normal duties as tribal employees in other departments. Our half time court clerk often spends close to full-time or more on tr[redacted]lated matters. We have no courtroom facili facility, and no dependent child or juvenile cement facilities. Yet, because we are not su lic Law 280 state jurisdiction, and all reser re tribally-owned, we are primarily responsib ning law and order. We have only one full time po , which means there are many times when police ion is simply not available.

Because of the small size [illegible] our reservation (99 acres), which is primarily devoted to housing and community services for tribal members, we have no real tax base to tap to provide financial support for our court services. Without dramatic increases in federal support for our tribal justice system, the federal goals of self-determination, and our own governmental responsibility to provide law and order on our reservation, cannot adequately be met.

We hope this helps to demonstrate to some extent the critical needs facing our tribal court. If we are to be able to meet the requirements of the Indian Civil Rights Act and operate effectively within the jurisdictional limits imposed by Supreme Court decisions, we must have increased funding to meet these increasing needs.

Thank you for your assistance.

Sincerely,

Floyd Williams
Floyd Williams
Chairman

cc: Senator Slade Gorton
Senator Dan Evans
Hon. Al Swift
Chief Judge Elbridge Coochise (NICS)
William Black, Puget Sound Agency
Stanley Speaks, Portland Area Office
[redacted]s
House Interior and Insular Affairs Committee

FW:plt

Testimony of the Washoe Tribal Council
Indian Health Service Fiscal Year 1986 Budget

I am Robert Frank, Chairman of the Washoe Tribe of Nevada and California. Our testimony addresses six areas of the Indian Health Service budget for Fiscal Year 1986: Clinical Services, Indirect Costs, Public Health Nursing, Sanitation Facilities Construction, Urban Health Programs, and Indian Health Financing.

CLINICAL SERVICES

The Washoe Tribe requests that Congress appropriate $516 million for Hospitals and Clinics, which is the actual level of need identified by the Indian Health Service and the Health Resources and Services Administration.

The Washoe Tribe contracts with the Indian Health Service under PL 93-638 to operate an outpatient clinic, using Clinical Services funds. The Washoe Tribe Health Clinic offers a full range of outpatient services to tribal members and other Indians living in our service area. Our service population includes 2300 Washoe and other Indian people living in Western Nevada, and another 900 tribal members who live in California, including the Bay Area, who frequently use the clinic.

Services provided include:

- Preventive Health Care
- General Medicine
- Dental Services
- Optometry/Opthomology
- Nutrition Counseling
- Mental Health
- Pharmacy
- Home Health Care
- Laboratory Services
- Health Records

Our FY 1986 budget for the clinic amounts to $279,000. Without the Clinical Services funding, it would be impossible for the Washoe Tribe to operate the clinic.

Prior to the opening of the clinic, tribal members had to travel to Schurz Indian Hospital for basic outpatient care. From Dresslerville, this is a 180-mile round trip. In winter these distances are more difficult because of snow and icy roads.

In the two years since the Washoe Tribe Health Clinic opened, there has been greater utilization of available preventive care services. Women use the clinic for initial prenatal visits, then are referred to local obstetricians for ongoing care and deliveries. Diabetics are closely monitored, preventing complications such as renal failure, blindness, heart failure, amputations and death. Dental care is accessible, which prevents major oral diseases.

The greater access to services, and the greater use of preventive health services, has reduced the rates of hospitalization, and unnecessary emergency room visits. This, in turn, has eased the burden on the Contract Health Services budget in the Schurz Service Unit. This is important since Indian tribes in Nevada are particularly dependent upon Contract Health Services for inpatient care and specialty outpatient services.

INDIRECT COSTS

The Washoe Tribe opposes the proposal to use $5 million of Hospitals and Clinics dollars to meet tribal indirect costs. Tied to this is a proposal to reduce hospital and clinic staff by 85 FTEs.

We propose instead, that Congress direct the Indian Health Service to use Program Management ("Direct Operations") dollars for tribal government indirect costs. The actual need is closer to $15 million than $5 million. We believe that most of this amount can be identified in the surpluses the Area Offices are returning to the Treasury, and in the duplication of administrative functions such as "Headquarters West" and the "Office of Research and Development."

Tribal governments have a responsibility to meet internal and external administrative requirements: audits, program and contract reports, financial controls, personnel systems. These systems impose real costs on tribal governments. These systems are required by law. While the Washoe Tribe does subsidize these systems, the tribe does not have the surpluses of funds to meet the total costs of these requirements.

We would like to point out that when the Indian Health Service contracts with a non-Indian firm for goods or services, the IHS does not take that firm's indirect costs out of the cost of the goods or services. Instead, IHS adds on the amount of indirect costs to the total contract amount.

Many private firms and universities have very high indirect cost rates, often as high as 50 or 60%. The IHS and BIA have no problem funding those costs as additions to the contracts. It is only when contracting with Indian tribal governments that IHS and BIA seem to have a problem with indirect costs.

Use of Program Management ("Direct Services") dollars for indirect costs would more accurately reflect the intended use of the resources, and would preserve funding for direct medical inpatient and outpatient services.

PUBLIC HEALTH NURSING

We request that Congress appropriate $16.5 million for Public Health Nursing in Fiscal Year 1986. In rural areas of Western Nevada, the Public Health Nurses are often the only locally available source of professional, qualified health care.

In Western Nevada, seven Public Health Nurses provide the following services:

- Home health visits for the elderly
- Immunization for children
- Otitis Media program
- Diabetic education
- Communicable disease control and follow-up
- Field clinic nursing
- Health education
- Audiometric and vision screening
- Hypertension screening
- Prenatal home visits

SANITATION FACILITIES CONSTRUCTION

The Washoe Tribe supports continued funding for construction of safe water and sanitary waste systems on Indian reservations. Construction, and maintenance and operation, of these systems over the years has greatly improved the health status of Indian communities by reducing gastroenteritis, diahrrea, communicable diseases and infant mortality.

URBAN HEALTH PROGRAMS

Many Washoe tribal members live and work in urban areas such as Reno, Los Angeles and the Bay Area. We strongly support continued funding for "Title V" urban Indian health programs.

Contrary to the rationale provided by the Administration for eliminating these programs, urban Indian health programs are usually not eligible for health block grants. The funding for block grants is usually tied into programs that were previously funded under categorical funding.

INDIAN HEALTH FINANCING

We request that Congress appropriate $250,000 from unexpended Medicarea/Medicaid dollars in the Phoenix Area for a special study of Indian Health Financing. This study would examine the interrelationships between Contract Health Services, direct service costs, and third party resources in the Phoenix Area.

We would establish several pilot projects to test integrated approaches to financing and delivering health services to Indian reservation residents. The methodologies for this research has already been developed in the Phoenix Area.

WASHOE TRIBE OF NEVADA AND CALIFORNIA
25 MARCH 1985

○